

AR56



ANNUAL REPORT

2003

1,375
18,332
3,918
10,307
22,079
56,011
1,375
12,770
1,395
2,485
2,271
20,302

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Vision / Mission Statement

The Saskatchewan Workers' Compensation Board's mission and sole purpose is to serve injured workers and their employers. Our vision is to excel in the development and delivery of workers' compensation and injury prevention programs and services.

In support of our mission and vision we will:

1. Provide the right service, at the right time, and be cost-effective in our processes.
2. Act with dignity and treat everyone with respect.
3. Conduct our business in a fair, open, honest and professional manner.
4. Bring about positive relationships with workers, employers, and others affected by the workers' compensation system.
5. Communicate our distinct identity, benefits and values.
6. Expect and recognize individual and corporate achievements and contributions to our workplace.
7. Ensure the financial integrity of the Workers' Compensation Board.

Statement of Beliefs

The Statement of Beliefs is rooted in the Meredith Principles and describes what the WCB holds to be true about Saskatchewan's compensation system, our stakeholders, and the nature of our relationships with workers, employers and the people of Saskatchewan.

Our corporate beliefs are:

- 1** Injured workers and employers deserve excellent service.
- 2** Workers, employers, and others deal with us honestly.
- 3** Employers care about their employees and care that their employees receive excellent service.
- 4** The WCB's future relies on positive relationships built on trust, understanding and co-operation in our programs and decisions.
- 5** WCB employees want to excel in customer service.
- 6** The WCB is guided by its corporate values in all of its decisions.

Values Statement

Our corporate values are the standards by which our actions and decisions are to be considered and judged by others.

- 1 Dignity** – those we serve and those we work with are treated with respect and consideration.
- 2 Fair** – those we serve and those we work with are treated equally and without prejudice or bias.
- 3 Honest** – those we serve and those we work with are treated truthfully.
- 4 Open** – our programs and services are easy to access and to understand. Our decisions and actions are clear, reasonable and open to examination.

The Meredith Principles

The Meredith Principles were articulated by Sir William Meredith in Ontario in 1910 and later adopted by all Canadian provinces and territories. Saskatchewan's compensation system began with these Meredith Principles in 1930 and has continually reaffirmed their importance.

The Meredith Principles ensure that the compensation system contributes to social and economic stability, and positively affects quality of life in Saskatchewan.

- 1 No fault compensation:** every work-related injury is covered regardless of who is to blame – the employee, employer or co-worker.
- 2 Security of benefits:** the system shall be fully funded to ensure that there are sufficient funds to meet current and future costs arising from work injuries.
- 3 Collective employer liability:** all employers contribute to the system based on industry groupings, thus ensuring certainty of payment for injured workers and removing the risk of bankruptcy for employers.
- 4 Independence of the Board:** the system shall be governed by an independent Board which can fairly serve and respond to the needs of workers and employers without partisan political influence.
- 5 Exclusive jurisdiction:** the Board has exclusive jurisdiction so that each claim can be considered on its individual merits and benefits can be provided promptly without the need to sue for damages.

Year at a Glance

| | 2003 | 2002 | 2001 | 2000 | 1999 |
|--|----------------|---------|---------|---------|---------|
| Number of workers covered * | 309,362 | 306,518 | 308,719 | 306,469 | 305,103 |
| Lost time claim rate (per 100 workers)** | 4.81 | 4.95 | 4.79 | 4.71 | 4.30 |
| Number of claims reported | 38,919 | 39,821 | 38,240 | 37,717 | 36,346 |
| Number of lost time claims accepted** | 14,876 | 15,174 | 14,786 | 14,433 | 13,108 |
| Permanent Functional Impairment awards | 469 | 484 | 407 | 443 | 390 |
| Fatal claims accepted | 26 | 16 | 29 | 35 | 31 |
| Number of appeals filed | | | | | |
| Appeals Committee | 1,081 | 979 | 826 | 873 | 813 |
| Board Level | 240 | 297 | 246 | 201 | 212 |
| Return to work percentages | | | | | |
| Secondary treatment centres | 87% | 90% | 91% | 85% | 87% |
| Tertiary treatment centres | 73% | 69% | 66% | 66% | 67% |
| Claims costs (in millions) | 199.2 | †221.1 | †239.3 | †146.0 | 142.1 |
| Active employer accounts *** | 31,630 | 31,327 | 31,225 | 31,657 | 32,454 |
| Premium revenue (in millions) | 177.6 | †154.4 | 147.8 | 124.8 | 141.5 |
| Average actual premium rate**** (per \$100 of insurable earnings) | 1.83 | 1.65 | 1.57 | 1.61 | 1.66 |
| Investment revenue (in millions) | 48.0 | 46.0 | 72.0 | 105.6 | 96.2 |
| Benefits liabilities (in millions) | 801.8 | 778.5 | 700.5 | †631.1 | 592.1 |
| Reserves and Injury Fund (in millions) | (51.4) | (43.5) | 50.0 | †105.8 | †132.3 |

* Full-time equivalent workers based on Statistics Canada average wage and WCB payroll information as of December 31st. 2003 full-time equivalent workers based on estimate of both average wage and payroll information.

** Number of time loss claims and the lost time claim rate are as at December 31st.

*** Includes active employers as at December 31st.

**** Revised for 2003 reporting year to demonstrate effective rate, net of merit/surcharge. All years, except for 2003, are actual rates. 2003 is a provisional rate.

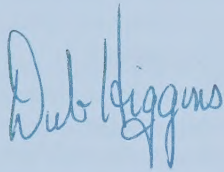
† Certain comparative figures have been changed to conform to the current year's presentation.

**Letters of
Transmittal**

The Honourable Lynda Haverstock
Lieutenant Governor
Province of Saskatchewan

May it please Your Honour:

I respectfully submit the Annual Report of the
Workers' Compensation Board for the
Calendar Year 2003.

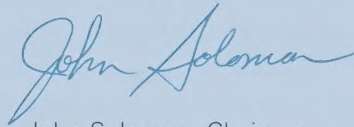


Debra Higgins
Minister of Labour

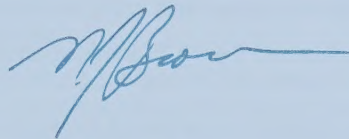
The Lieutenant Governor in Council:

We are pleased to submit the seventy-fourth
Annual Report of the Workers' Compensation
Board for the year ending December 31, 2003.

Respectfully submitted,



John Solomon, Chairman

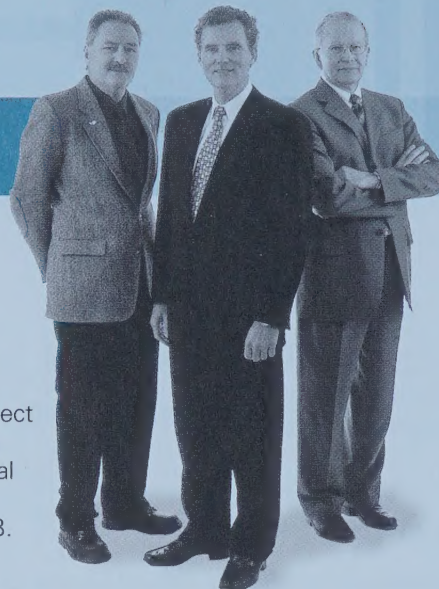


N.J. Brown, Board Member



Walter Eberle, Board Member

Chair's Message



Board Members l. to r.:
Walter Eberle
Labour representative

John Solomon
Chairman

Norm Brown
Employer
representative

In a "perfect storm", a number of weather systems collide to produce unpredictable results. The dark economic clouds preceding 2003 ushered in that perfect storm for the Saskatchewan Workers' Compensation Board and for its stakeholders, when three exceptional circumstances struck simultaneously, creating a particularly unfavorable financial situation for the WCB.

From one side, the collapsing investment market cut deeply into our revenue for the better part of three years. From another side we faced the pressure of record-high injury rates, significantly driving up costs. The third factor in this perfect storm was the requirement to account for the entire 50-year cost of newly-legislated future benefits in the 2002 reporting year, adding to that year's already weakened financial performance.

As costs outstripped revenues and our reserve funds began to deplete, the WCB premium reductions we had seen in the late '90s quickly gave way to premium increases.

The Board Members – representing employers, workers and the government – were determined to keep a steady hand on the wheel. We kept the focus on continuous improvement in pursuit of our vision: excellence in injury prevention and workers' compensation.

- We directed the WCB administration to aggressively pursue internal efficiencies and cost reductions.
- We introduced a renewed focus on injury prevention.
- We increased premiums to the extent that was required to maintain a self-sufficient system under our legislation.

To further mitigate the storm's effect, the Board directed the administration to develop an action plan to achieve three objectives:

- Make injury prevention a top priority.
- Put a check on administrative costs.
- Adopt a more effective case management system.

The administration responded energetically:

- Partnerships were forged with Saskatchewan Labour and the Saskatchewan Safety Council to begin developing injury prevention programs. The first of these – **WorkSafe Saskatchewan** – rolled out in 2003 with a province-wide awareness campaign.
- The WCB began working closely with the Saskatchewan Federation of Labour on injury prevention. One of the early outcomes has been the WCB's funding of a Ready for Work Coordinator who is now creating safety awareness among high school students.
- The Merit/Surcharge program is undergoing revisions to more closely reflect claims experience at the level of the individual employer.

As a result of these and other initiatives, we have been weathering the consequences of a sometimes unpredictable operating environment with renewed strength and focus:

- We are on target with our multi-year plan to rebuild reserves so that large premium increases in subsequent years can be mitigated.

- This is the second annual report in which the WCB can show that its internal administration costs are declining. Because of this, and the fact that a nation-wide comparison of WCBs shows our average administration cost per time loss claim is the second lowest in Canada, employers can be assured that internal costs do not contribute to premium increases.
- In 2003 the new, more effective case management system began to prove itself as we witnessed a reduction in claim duration.
- Working together, Board Members and administration staff have produced great strides in a more cost-effective appeal process. As a result, we have cut the time for Board-level appeals in half, and can report that the Saskatchewan WCB has the lowest cost per appeal decision of any compensation board in the country.

The Board's focus remains on excellence in the compensation system. We do this by providing policy directives to management that link our strategic plan with daily operational realities.

Sometimes this requires intervention in response to the voice of our stakeholders. For example, Board Members chose to lengthen the anticipated time for replenishing our reserves from 10 years to 15 years, so that the amount of required year-over-year premium increases can be amortized over a longer period. This action was taken in response to what stakeholders told us, but also with the knowledge that 2003 has seen steadily improved investment markets, allowing the WCB to anticipate easing the pressure on premium rates in upcoming years.

Overall, 2003 saw the Saskatchewan WCB report the second-lowest average provisional assessment rate compared to other provinces. At the same time we achieved the second lowest cost of administration per time loss claim, we have seen our levels of service and benefits rise. That is all good news.

Will our action plan continue to be successful? Much of our future achievement will depend on the extent to which we can build a partnership with employers and workers focused on injury prevention.

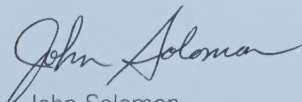
Although the Saskatchewan WCB had one of the highest rates of investment returns among WCBs across Canada, the fact is that investment returns in 2003 are \$58 million less than in 2000, and \$24 million less than in 2001. However, the storm in the investment market has abated for the moment, with markets producing much improved returns in 2003. The good news is that the 2003 administrative costs of the compensation system continued to reflect the impact of cost saving and efficiency measures.

The real challenge will be to stem the increase in the number of Saskatchewan workers suffering injury. While the accident rate flattened in 2003, the long-term upward trend is alarming and has been a major factor in creating the past fiscal shortfalls the WCB has suffered.

We must press forward in pursuit of reduced injury levels.

Province-wide injury prevention is now the make-or-break strategy without which we cannot hope to reduce the rising human and financial costs of workplace injuries. Safety in the workplace and injury prevention are the major challenges to the WCB's pursuit of excellence and we will continue our efforts to find partners ready to tackle the safety issue cooperatively and effectively.

This is our direction – internal efficiencies, careful financial management and a focus on major change through injury prevention. Based on our progress in 2003, the Board's commitment is to continue steering this steady course in the year ahead.



John Solomon
Chairman

CEO's Message

The financial and operational results for 2003 show that the WCB's outlook is gradually improving as we stay with a strict and strategic course. While the financial results are not yet stellar, I am pleased to report significant progress in the management of the compensation system.

Our administrative costs are now the lowest since 1998. Compared to all compensation boards across the country, national compensation statistics show Saskatchewan maintaining the second lowest administration cost per time loss claim.

There is also an improvement in the effectiveness of claims management, and the positive effect of this on the balance sheet. For example, the number of time loss claim days paid has decreased over the last two years by more than five days per claim. This is due primarily to the new organizational structure's focus on case management, with emphasis on return-to-work. As well, health care costs for injured workers held steady in 2003, following several consecutive years of increase. All of these positive outcomes in case management contributed to an actuarial adjustment for 2003 that was \$18 million lower than the year before.

These operational successes have helped us remain on-track to eliminate the WCB's operating loss. The loss was reduced to \$7.9 million in 2003, well below the \$30 million loss that had been estimated, and leaving us on course to a fully-funded position.

Since 2001, when the new organizational and case management processes were introduced, both worker and employer satisfaction with our service have increased.

In terms of matters outside our direct control, results are mixed and significant challenges remain.

On the positive side, global investment markets returned to double digit growth – the first time since 1999. However, investment income continues to lag behind record 2000 levels by \$58 million.

The dominant challenge remains the high and growing rate of injuries. More than any other single factor, the increase in injuries directly creates higher costs for the compensation system. These rates have steadily increased over the last decade.

While we were encouraged by a slight easing of the injury rate in 2003 to 4.81% from 4.95%, we must continue to flag this serious statistic. Every 100 time loss claims equals \$1 million in claims costs every year.

That is why the WCB's goal is to reduce the annual injury rate to 4.0% by 2007. This nearly 20% reduction is an ambitious goal, and will require many partners and broad thinking about all the factors in our society that cause injury and reduce productivity.



Executive Members l. to r.:

Gail Kruger

Vice-President,
Prevention, Finance &
Information Technology

Graham Topp

Vice-President, Operations

Peter Federko

Chief Executive Officer

Donna Kane

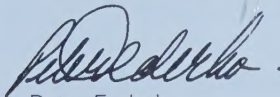
Vice-President,
Human Resources &
Team Support

The payback from an investment in safety can be enormous. Even the slight drop in the injury rate in 2003 had an immediate financial impact: it was key to our actuaries moderating their estimate of the liability required to cover the future costs of today's claims.

For the WCB's operations, 2003 results reinforce our commitment to holding a steady course:

- We will continue our internal case management programs that have created efficiencies and increased effectiveness.
- We will adhere to our rate plans to achieve fiscal stability and replenish reserves over a graduated timeframe.
- We will continue to look for internal administration efficiencies. Since recording the second-lowest administration cost per time loss claim in Canada, we know that administration costs have not been a factor in the current premium increases. However, keeping those costs low requires constant attention.
- We will continue to invest in injury prevention programs. In fact, our goal will be to expand partnerships with stakeholders so that together we can mobilize an effective counter-force to the rising cost of workplace injury.

We look forward to a 2004 in which our commitment to the existing strategy produces continued improvement in financial stability and program effectiveness, along with powerful new stakeholder partnerships.



Peter Federko
Chief Executive Officer

Management Discussion and Analysis

The Management Discussion and Analysis is an integral part of the Workers' Compensation Board's annual report, providing further insight into the organization's operations and financial position. The discussion and analysis should be read in conjunction with the audited financial statements and supporting notes.

2003 saw a marked improvement in the WCB's financial performance, with a year-end deficit of \$7.9 million, compared to the 2002 shortfall of \$93.5 million. Improvements in claims experience and increased revenue from premiums contribute to the overall performance improvement.

Revenues Increase by 12.6%

The WCB's revenue is derived from two sources: premium revenue and investment income. In 2003, revenues totaled \$225.6 million, a 12.6% increase over 2002 revenues of \$200.4 million.

A 10.9% increase in the average premium rate from \$1.65 to \$1.83, as well as a 5.3% increase in reported employer payroll resulted in premium revenue increasing to \$177.6 million in 2003. This represented a 15.0% increase over last year's premium revenue of \$154.4 million.

The year in review also saw an upturn in investment markets, particularly in the fourth quarter. 2003's strong results helped increase the WCB's investment income by \$2.0 million over 2002.

Canadian WCBs use a smoothing technique for investment income where gains and losses are smoothed into income over a number of years. This process results in the gains and losses in the

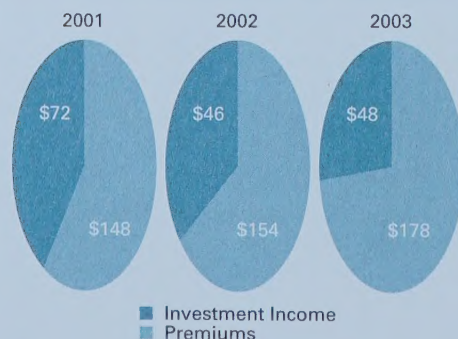
current year being blended over time with the gains and losses from previous years. Therefore, even though the WCB's investment portfolio earned an actual return of 12.9% in 2003, this result is mitigated by this blending technique so that the reported return on investments for the purpose of financial statement reporting is 7.1%.

The WCB uses Generally Accepted Accounting Principles (GAAP) as outlined in the Canadian Institute of Chartered Accountants (CICA) Handbook. While most reporting is done according to GAAP for general insurance operations, Canadian WCBs use life insurance guidelines in accounting for investments. Recent changes to GAAP dictate that unless there is a specific industry provision in the CICA Handbook, organizations must follow the handbook in setting their accounting policies. Because the WCB is not a life insurer, it will no longer be permitted to use life insurance guidance. 2004 may see the organization change the way it accounts for investments. This would have a significant impact on the Saskatchewan WCB's financial position.

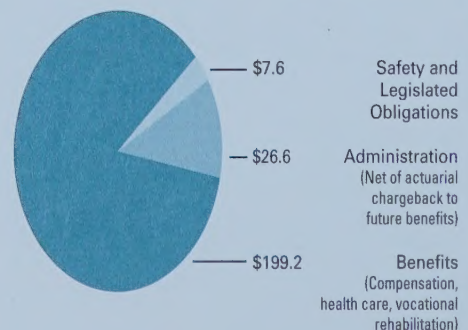
Claims Costs Decrease by 9.9%

The WCB's move to team-based case management is starting to show big dividends, with the number of days paid per time loss claim (including both open and closed claims) dropping to 37.0 days in 2003. This compares with 40.0 days in 2002 and 42.3 days in 2001. At the same time, the other major driver of claims costs – injury frequency – declined marginally in 2003. Time loss claims dropped by 298 over the reporting period – from 15,174 in 2002 to 14,876 in 2003.

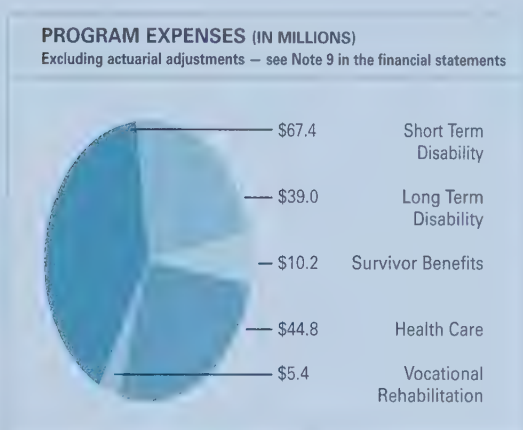
SOURCES OF REVENUE (IN MILLIONS)



ALLOCATION OF EXPENSES 2003 (IN MILLIONS)



Claims costs are made up of two components: the actual amounts spent on programs throughout the year and the increase in the WCB's benefits liabilities which forecasts the amount required to pay the future costs of today's claims. Overall,



claims costs decreased from \$221.1 million in 2002 to \$199.2 million in 2003.

The component of claims costs known as "program expenses" include the following: short term disability (compensation), long term disability (earnings replacement), health care (payments to caregivers) and vocational rehabilitation. In 2003, program expenses decreased by \$6.2 million from \$173.0 million in 2002 to \$166.8 million in 2003.

As well as the drop in the number of days paid per time loss claim and the decrease in volume of time loss claims reported, other factors contributed to 2003's lower program expenses. For example, a major project to review all time loss claims older than six months was completed in 2003, resulting in claimants returning to work, files being closed and claims converted to earnings replacement from short term disability.

Health care payments declined by \$2.1 million in 2003, largely attributed to faster worker access to secondary and tertiary rehabilitation, with fewer workers using this level of service. A change to the WCB's travel policy for care provider visits also helped lower health care costs.

Compared to 2002, the WCB referred 40 fewer clients to vocational rehabilitation and reduced the number of open files in this area by 184. Additionally, increased scrutiny of self-employment

initiatives saw a 50% reduction in the number of these initiatives receiving funding from the WCB.

Benefits Liabilities See Smaller Increase

The increase to the benefits liabilities (or actuarial adjustment) for 2003 is \$20.7 million, excluding the adjustment for future benefits administration. This compares favourably to the 2002 adjustment of \$39.3 million. Looking at it from a different viewpoint, the benefits liability increased by 5.9% in 2002 while the increase was only 2.8% in 2003.

The trend toward declining claims durations meant only a marginal increase of \$0.8 million in the actuarial adjustment for short-term disability compensation. This compares with 2002's increase of \$29.0 million.

The \$15.9 million increase to the long-term disability and survivors' benefits portion of the benefits liabilities is driven by two major factors: the Consumer Price Index adjustment to earnings replacement benefits and the claim file review. This claim review resulted in an increase to the benefits liabilities for long term disability. It also meant a smaller increase to the benefits liabilities overall, since the liabilities for short term disability increased only marginally. In the non-pension category (health care, vocational rehabilitation, short-term disability), the 2003 total change to the benefits liabilities was \$4.8 million—a sharp contrast to 2002's change of \$31.7 million.

The benefits liabilities for health care increased by \$4.2 million or 3.3% in 2003, compared to \$12.3 million or 10.6% in 2002. The trend toward fewer treatments helped slow this increase, although health care expenditures overall continue to rise at a rate of more than 5% per year. In vocational rehabilitation, the decrease to the benefits liabilities was marginal at \$0.2 million in 2003. This compares to a \$9.6 million decrease in 2002, resulting from an \$18.1 million actuarial adjustment.

Administration Expenses Decrease by 5.3%

Despite an increase of 3% to salaries, administration expenses declined to \$35.6 million before costs charged to Future Benefits Administration. In fact, the WCB's administration costs are now the lowest since 1998.

Administration costs have not been a contributing factor to increased employer premium rates. For example, in 2002 the administration component of the average rate was \$0.48 or 29.1%, and in 2003 it was \$0.47 or 25.6% of the average premium rate. The administration component of the rate also includes legislated obligations.

Most recent measures compiled by the national association of Canadian workers' compensation boards (AWCBC) show Saskatchewan recording the second-lowest administrative cost per time loss claim of all Canadian WCBs.



2003 Legislated Obligations

Under The Workers' Compensation Act, 1979, the WCB is obliged to fund operations administered by the Department of Labour. In 2003, that funding amounted to \$7.6 million, and was directed to the Office of the Workers' Advocate, the Occupational Health and Safety Division (OH&S), and the Education and Training (formerly Prevention Services) branch. Another \$0.01 million was paid for expenses on behalf of Committee of Review.

Risk Management Plan Reaffirmed

The organization's risk management plan reaffirms the WCB's strategy for identifying and controlling circumstances that have the potential to create financial, operational and governance risks. This risk management plan allows the WCB to monitor, manage and mitigate risk, ensuring safeguards are in place to limit exposure to obstacles to achieving the organization's strategic goals.

Introduced in 2002, the WCB's risk management plan remains relevant today, as the organization continues to take action to reduce the impacts of

known business risks. (The full risk management plan can be seen in the WCB's 2003 Stakeholder Report.)

For example, over the past several years, continued increases in the injury rate have resulted in increased claims volumes to create greater cost pressures on the compensation system. The WCB has called on its stakeholders to share in the responsibility for reducing this risk through concentration on building safety and injury prevention programs in the workplace.

At the same time, the WCB is demonstrating its own determination to reduce the costs of workplace injuries. Enhancements to the experience rating program to be introduced in 2004 should more fairly recognize employers for their positive claims experience. As well, more opportunities are being sought for partnerships with Saskatchewan Labour and other organizations such as the Saskatchewan Safety Council in initiatives geared to injury prevention.

**AVERAGE ASSESSMENT RATES
PER \$100.00 PAYROLL 1999 - 2003**

| Jurisdiction | 1999 | 2000 | 2001 | 2002 | 2003 |
|--------------|------|------|------|------|------|
| Alberta | 1.07 | 1.12 | 1.31 | 1.64 | 1.89 |
| B.C. | 1.88 | 1.73 | 1.78 | 1.87 | 1.92 |
| Manitoba | 1.46 | 1.49 | 1.52 | 1.49 | 1.56 |
| N.B. | 1.67 | 1.67 | 1.58 | 1.86 | 2.07 |
| Nfld | 2.97 | 3.23 | 3.22 | 3.50 | 3.24 |
| NWT/NU | 1.20 | 1.04 | 1.18 | 1.28 | 1.60 |
| N. S. | 2.56 | 2.55 | 2.49 | 2.50 | 2.54 |
| Ontario | 2.42 | 2.29 | 2.13 | 2.13 | 2.19 |
| P.E.I. | 2.11 | 2.08 | 2.29 | 2.34 | 2.39 |
| Quebec | 2.22 | 2.07 | 1.90 | 1.85 | 1.93 |
| Sask. | 1.66 | 1.61 | 1.57 | 1.65 | 1.83 |
| Yukon | 1.26 | 1.29 | 1.30 | 1.28 | 1.41 |

Note

Comparisons of average assessment rates can be very misleading and are influenced by the various methods adopted by WCBs for developing these averages. For example, weighting of individual rates by payroll or by industry can significantly impact the average rate. The mix of industry, the varying benefit levels and earnings ceilings, extent of industry coverage and degree of funding of liabilities can also result in distorted comparisons of average assessment rates by jurisdiction. Extreme caution should, therefore, be exercised in how average WCB assessment rates are used.

All rates, except for the most recent years, are the actual average assessment rates for all jurisdictions except Ontario and Quebec. Ontario and Quebec rates for all years are provisional average assessment rates that are set at the beginning of each year.

2003 FINANCIAL REPORT

Financial Information**WORKERS'
COMPENSATION
BOARD
(SASKATCHEWAN)****RESPONSIBILITY
FOR FINANCIAL
STATEMENTS**

The financial statements are the responsibility of management and have been prepared in conformity with Canadian generally accepted accounting principles. The preparation of financial information is an integral part of management's broader responsibilities for the ongoing operations of the Board. Management maintains an extensive system of internal accounting controls to provide reasonable assurance that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements. The adequacy and operation of the control systems are monitored on an ongoing basis.

An independent actuary has been engaged to carry out a valuation of the benefits liabilities. The actuary makes use of management information provided by the Board and relies on the work of the external auditors in verifying the data used in the valuation. The scope of their valuation and opinion are given in the Actuarial Certificate.

The financial statements have been examined and approved by the Board of Directors. The Board of Directors meets periodically with financial officers of the Board and the external auditors.

Deloitte & Touche has been appointed external auditors to report to the Members of the Board regarding the fairness of presentation of the Board's financial position and results of operations as shown in the financial statements. In carrying out their audit, the external auditors place reliance on the work of the actuary and his report on the benefits liabilities. The Auditors' Report outlines the scope of their examination and their opinion.



Gail Kruger, CMA
Vice-President,
Prevention, Finance &
Information Technology



Osvaldo Montanini, CMA
Director, Finance & Administration

February 27, 2004

**TO THE BOARD OF DIRECTORS OF THE SASKATCHEWAN WORKERS'
COMPENSATION BOARD**

We have completed an actuarial valuation as at December 31, 2003 of the liabilities for benefits payable in the future under the Workers' Compensation Act – Saskatchewan in respect of claims that occurred prior to the valuation date.

We have analyzed the claims data on which the valuation has been based and have performed tests to confirm the reasonableness of the data and its consistency with the data used for valuations in prior years. In our opinion, the claims data is sufficient and reliable for the purposes of the valuation.

The actuarial valuation of the benefits liability of \$801,777,000 represents the actuarial present value at December 31, 2003 of all payments expected to be made in future years in respect of all claims occurring on or before December 31, 2003.

The valuation was based on the provisions of the Workers' Compensation Act in effect as of December 31, 2003 and reflected the legislated increases in the maximum wage rate scheduled for 2004 and 2005. The benefits liability includes provision for claims arising in the future in respect of latent occupational diseases only to the extent that such claims have been experienced in the past. It also includes provision for future expenses relating to the administration of existing claims. Payments made by the Board on a self-insured basis are excluded from the valuation of the benefits liability.

The actuarial assumptions and methods employed in the valuation represent the best estimate of the Board's future obligations based on the provisions of the Workers' Compensation Act at the valuation date, the Board's current practices and administrative procedures and the pattern of claims costs experienced prior to the valuation. In our opinion, for the purposes of the valuation, the actuarial assumptions are appropriate and the methods employed are consistent with sound actuarial principles.

Our actuarial report has been prepared and our opinions have been given in accordance with accepted actuarial practice.

HEWITT ASSOCIATES



J. Allan Brown
Fellow, Canadian Institute of Actuaries



Peter M. Muirhead
Fellow, Canadian Institute of Actuaries

February 27, 2004

AUDITORS' REPORT

To the Members of the Workers' Compensation Board (Saskatchewan)

We have audited the statement of financial position of the Workers' Compensation Board (Saskatchewan) as at December 31, 2003 and the statements of operations and injury fund and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Workers' Compensation Board as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Regina, Canada

February 27, 2004

Statement of Financial Position

As at December 31, 2003

| | 2003 | 2002 |
|---|-------------------------------|--------------------------|
| | <i>(thousands of dollars)</i> | |
| Assets | | |
| Cash and short-term investments | \$ 25,711 | \$ 25,916 |
| Accounts receivable (note 4) | 33,035 | 33,497 |
| Accrued interest | 3,085 | 3,726 |
| Investments (note 5) | 807,629 | 783,569 |
| Property, plant and equipment (note 6) | <u>20,051</u> | <u>20,302</u> |
| | <u>\$ 889,511</u> | <u>\$ 867,010</u> |
| Liabilities | | |
| Accounts payable and accrued liabilities (note 7) | \$ 30,148 | 30,716 |
| Benefits liabilities (note 9) | 801,777 | 778,461 |
| Annuity fund payable | <u>108,953</u> | <u>101,328</u> |
| | 940,878 | 910,505 |
| Deficiency in Assets (note 10) | <u>(51,367)</u> | <u>(43,495)</u> |
| | <u>\$ 889,511</u> | <u>\$ 867,010</u> |

See accompanying notes to financial statements.

On behalf of the Board:



John Solomon
Chairman



Norm Brown
Board Member



Walter Eberle
Board Member

Statement of Operations and Injury Fund

Year ended December 31, 2003

| | 2003 | 2002 |
|--|-------------------------------|--------------------|
| | <i>(thousands of dollars)</i> | |
| Revenues: | | |
| Premiums (note 11) | \$ 177,613 | \$ 154,421 |
| Investment income (note 5) | <u>47,954</u> | <u>45,955</u> |
| | <u>225,567</u> | <u>200,376</u> |
| Expenses: | | |
| Claim costs (note 9) | 199,153 | 221,106 |
| Administration (Schedule 1) | 26,662 | 28,608 |
| Department of Labour (note 8) | 7,615 | 7,245 |
| Committee of Review | <u>9</u> | <u>190</u> |
| | <u>233,439</u> | <u>257,149</u> |
| Expenses over revenues before the following: | (7,872) | (56,773) |
| Provision for increased benefits legislated by The Workers' Compensation Amendment Act, 2002 | <u>-</u> | <u>(36,697)</u> |
| Expenses over revenues | (7,872) | (93,470) |
| Injury Fund, beginning of year (note 10) | (71,958) | - |
| Appropriation from Economic Stabilization Reserve (note 10) | <u>-</u> | <u>21,512</u> |
| Injury Fund, end of year (note 10) | <u>\$ (79,830)</u> | <u>\$ (71,958)</u> |

See accompanying notes to financial statements.

Statement of Cash Flows

Year ended December 31, 2003

| | 2003 | 2002 |
|--|-------------------------------|------------------|
| | <i>(thousands of dollars)</i> | |
| OPERATING ACTIVITIES | | |
| Cash received from: | | |
| Premiums (note 11) | \$ 182,963 | \$ 156,868 |
| Dividends and interest | <u>28,745</u> | <u>32,294</u> |
| | <u>211,708</u> | <u>189,162</u> |
| Cash paid to: | | |
| Claimants, or third parties on their behalf | 165,381 | 170,054 |
| Employees and suppliers, for administrative and other goods and services | 34,292 | 36,775 |
| Department of Labour and safety associations | <u>10,614</u> | <u>10,846</u> |
| | <u>210,287</u> | <u>217,675</u> |
| Net cash provided by (used in) operating activities | <u>1,421</u> | <u>(28,513)</u> |
| INVESTING ACTIVITIES | | |
| Cash received from: | | |
| Sale and maturity of investments | 1,113,858 | 1,147,526 |
| Disposal of property, plant and equipment | <u>—</u> | <u>250</u> |
| | <u>1,113,858</u> | <u>1,147,776</u> |
| Cash paid for: | | |
| Purchase of investments | 1,110,599 | 1,096,244 |
| Purchase of property, plant and equipment | <u>4,885</u> | <u>4,961</u> |
| | <u>1,115,484</u> | <u>1,101,205</u> |
| Net cash (used in) provided by investing activities | <u>(1,626)</u> | <u>46,571</u> |
| (Decrease) increase in cash during the year | (205) | 18,058 |
| Cash and short-term investments, beginning of year | <u>25,916</u> | <u>7,858</u> |
| Cash and short-term investments, end of year | <u>\$ 25,711</u> | <u>\$ 25,916</u> |

See accompanying notes to financial statements.

Notes to Financial Statements

December 31, 2003

1. Status of the Board:

The Workers' Compensation Board (the Board) operates under the authority of The Workers' Compensation Act, 1979 (the Act).

In accordance with the provisions of the Act, the Board's purpose is to provide workers' compensation insurance to Saskatchewan workers and employers.

2. Significant Accounting Policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Management believes its estimates and assumptions are appropriate; however, actual results could differ from the amounts estimated.

The Board's significant accounting policies are summarized as follows:

Cash and Short-term Investments

- (i) Short-term investments are recorded at the lower of cost and market value.
- (ii) Cash and short-term investments are funds consisting of cash and money market instruments which will be liquidated in the near term.

Investments

- (i) Bonds and debentures are recorded at cost with any discount or premium amortized on a straight-line basis over the period remaining to the maturity date of the investment.
- (ii) Equities, pooled equity funds, pooled bond funds and real estate are valued using a five-year moving average of market values, thereby allowing for a gradual movement toward current market values.
- (iii) Mortgages are recorded at cost and the principal is reduced by principal repayments throughout the year.
- (iv) Gains or losses on the sale of bonds and debentures are amortized over the remaining period to maturity of the security sold.
- (v) Transactions in bonds and equities are recorded as of the trade date.
- (vi) A permanent impairment of an investment is recognized immediately.

Property, Plant and Equipment

Property, plant and equipment is recorded at cost and is amortized over the estimated useful lives of the assets. Amortization is recorded on a straight-line basis, at the following rates:

| | |
|----------------------|--------|
| Building | 2.50% |
| Office furnishings | 10.00% |
| Computer equipment | 20.00% |
| Software development | 33.33% |

Premium Revenue

At the beginning of each year, an assessment is levied on employers by applying their industry assessment rate to their estimated payrolls. The assessment levy is payable by instalments within the current year. At year-end, assessment income is adjusted based on a review of the employers' actual payrolls.

Benefits Liabilities

The benefits liabilities are determined annually by an actuarial valuation which establishes the amount of this provision for future payments and the future cost of administering claims relating to claims incurred on or before December 31. The provision at December 31, 2003 has been determined by estimating future benefits payments in accordance with the Board's administrative policies and practices in effect at December 31, 2003.

Benefits liabilities do not include any provision for payment of claims relating to self-insurers, as they are a liability of the self-insurers. Also, no provision has been made for future claims relating to occupational diseases and injuries that are not currently considered to be work-related.

Annuity Fund Payable

The annuity fund is established pursuant to sections 74 and 83(5) of the Act, to provide injured workers and dependent spouses for the loss of retirement income due to a workplace injury. The fund represents 10% of eligible payments already made plus interest calculated at the Board's actual rate of return on its investments for the year. This liability is not discounted and a separate fund of investments is not maintained.

All future costs, excluding interest, are provided for as part of benefits liabilities.

Foreign Currency Translation

Expenditures and receipts, with the exception of investments, denominated in foreign currency are translated into Canadian dollars at the exchange rate in effect at the date of the transaction. Foreign currency gains and losses for investments are recorded in the same manner as other investment gains and losses.

Employee Future Benefit Plans

The cost of pensions and other retirement benefits earned by employees is determined using the projected benefit method pro rated on service and management's best estimate of expected plan investment performance, salary escalation, retirement ages of employees and future pension indexing. The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date on high-quality debt instruments with cash flows that match the timing and amount of expected benefit payments. For purposes of calculating the expected return on plan assets, those assets are valued at fair value. The excess of the net actuarial gain (loss) over 10% of the greater of the benefit obligation and the fair value of the plan assets is amortized over the average remaining service life of active employees. At the discretion of the Lieutenant Governor in Council, pensions may be increased annually up to the rate of increase in the Consumer Price Index. For the defined contribution plan, employee contributions are matched by the Board and expensed in the period made.

3. Short-term investments:

All short-term investments are in Canadian securities. These investments have an aggregate principal amount of \$26,309,000 (2002- \$25,963,000) and are comprised of notes and commercial paper with effective interest rates of 2.57% to 3.59% (2002 - 2.62% to 3.04%).

4. Accounts Receivable:

| | 2003 | 2002 |
|---|-------------------------------|------------------|
| | <i>(thousands of dollars)</i> | |
| Premiums | \$ 9,940 | \$ 11,240 |
| Regina Qu'Appelle Health Region | 8,959 | 8,959 |
| Net accrued pension benefit asset (note 14) | 5,210 | 4,955 |
| Surcharge penalties | 4,570 | 4,349 |
| Other | 4,356 | 3,994 |
| | <u>\$ 33,035</u> | <u>\$ 33,497</u> |

Accounts receivable are net of an allowance for doubtful accounts of \$1,466,000 (2002 - \$1,448,000).

The Board served notice to the Regina Qu'Appelle Health Region on July 16, 2001 of its intent to terminate without cause the agreement between the Board and the Regina Qu'Appelle Health Region regarding the Wascana Rehabilitation Centre. The agreement allows three years from the date the notice is served for payment of the outstanding amount owing to the Board. The amount owing is the depreciated value of the facility.

5. Investments:

(a) The carrying amount and fair value of investments are as follows:

| | 2003 | | 2002 | |
|----------------------------------|-------------------|-------------------------------|-------------------|-------------------|
| | CARRYING | FAIR | CARRYING | FAIR |
| | AMOUNT | VALUE | AMOUNT | VALUE |
| | | <i>(thousands of dollars)</i> | | |
| Bonds, debentures | | | | |
| & pooled bond fund | \$ 358,710 | \$ 367,494 | \$ 354,603 | \$ 365,798 |
| Equities and pooled equity funds | 340,634 | 440,152 | 346,110 | 379,247 |
| Real estate and mortgages | 47,585 | 52,351 | 44,440 | 47,739 |
| Unamortized gains and losses | 60,700 | — | 38,416 | — |
| | <u>\$ 807,629</u> | <u>\$ 859,997</u> | <u>\$ 783,569</u> | <u>\$ 792,784</u> |

Details of significant terms and conditions, exposures to interest rate and credit risks on investments are as follows:

(i) Bonds and debentures:

| | | 2003 | | 2002 | |
|-----------------------|---------------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|
| | INTEREST RECEIVABLE BASIS | EFFECTIVE RATES (% RANGE) | COUPON RATES (% RANGE) | EFFECTIVE RATES (% RANGE) | COUPON RATES (% RANGE) |
| Government of Canada | semi-annual | 3.05-5.42% | 3.00-8.00% | 3.26-5.75% | 3.50-6.00% |
| Provincial Securities | semi-annual | 4.32-6.66% | 4.40-10.00% | 2.50-6.69% | 5.20-8.75% |
| Corporate Securities | semi-annual | 4.03-7.82% | 4.00-9.00% | 3.09-8.50% | 4.82-9.00% |

The principal amount and carrying amount are shown by contractual maturity. Actual maturity may differ from contractual maturity because certain counterparties have the right to call or prepay certain obligations with or without call or prepayment penalties.

| TERM TO MATURITY | 2003 | | 2002 | |
|---------------------------------|--------------------------|---|--------------------------|--------------------------|
| | PRINCIPAL AMOUNT | CARRYING AMOUNT <i>(thousands of dollars)</i> | PRINCIPAL AMOUNT | CARRYING AMOUNT |
| Government of Canada Securities | | | | |
| One through five years | \$ 93,476 | \$ 94,588 | \$ 120,782 | \$ 124,087 |
| After five years | 89,580 | 94,954 | 61,454 | 62,534 |
| Provincial Securities | | | | |
| One through five years | 9,617 | 9,672 | 19,899 | 20,359 |
| After five years | 53,114 | 54,981 | 42,447 | 42,579 |
| Corporate Securities | | | | |
| One through five years | 28,292 | 28,496 | 32,593 | 32,905 |
| After five years | 38,356 | 38,556 | 32,439 | 32,555 |
| | <u>\$ 312,435</u> | <u>\$ 321,247</u> | <u>\$ 309,614</u> | <u>\$ 315,019</u> |

(ii) Equities and pooled equity funds:

The Board's investments in equities and pooled equity funds have no fixed maturity dates and are generally not exposed to interest rate risk. Dividends are generally declared on a quarterly basis. The rates range from 0% to 5.67% on these investments (2002 - 0% to 6.08%).

The Board has an investment of \$51,039,000 (2002 - \$52,375,000) in a pooled equity fund for Europe, Asia, and the Far East representing 4.15% (2002 - 4.13%) of the pooled fund's total units. The Board also has an investment of \$59,566,000 (2002 - \$57,977,000) in a pooled global equity fund representing 9.93% (2002 - 9.08%) of the pooled fund's total units.

(iii) Pooled bond funds

The Board's investment of \$37,463,000 (2002 - \$39,584,000) in a Canadian corporate pooled bond fund has no fixed maturity date. The investment represents 11.02% (2002 - 10.24%) of the pooled fund's total units.

(iv) Real estate:

All of the Board's real estate holdings are in Canadian commercial property.

(b) Net investment income was derived from the following sources:

| | 2003 | 2002 |
|---|-------------------------------|------------------|
| | <i>(thousands of dollars)</i> | |
| Cash and short-term securities | \$ 997 | \$ 824 |
| Bonds, debentures and pooled bond funds | 20,971 | 22,989 |
| Equities and pooled equity funds | 23,491 | 19,698 |
| Mortgages | — | (3) |
| Real estate | 3,906 | 3,946 |
| Other | 82 | 64 |
| Investment expenses | (1,493) | (1,563) |
| | <u>\$ 47,954</u> | <u>\$ 45,955</u> |

(c) Market Risk

The Board invests in publicly traded equities and bonds available on domestic and foreign exchanges and in privately traded pooled equity and bond funds. These securities are affected by market changes and fluctuations. The Board does not use derivative financial instruments to alter the effects of these market changes and fluctuations. The Board limits its investment concentration in any one investee or related group of investees to 10% of the investee's share capital. In addition, no one holding can represent more than 10% of the market value of the Board's equity portfolio. Investment in pooled funds shall not exceed 10% of the market value of that pooled fund unless provision has been made to transfer assets out of the fund in kind.

(d) Credit Risk

Credit risk on financial instruments arises from the possibility that the issuer of a fixed-term instrument may fail to meet its obligations. Therefore, the Board's investment policy sets minimum quality standards. The policy allows for a maximum of 15% to be invested in BBB rated bonds and the remainder of the bonds must be rated A or higher. For short-term investments, the minimum quality standard is R-1. The Board does not anticipate that any issuers will fail to meet their obligations.

(e) Interest Rate Risk

Fluctuations in interest rates can impact the market value of the fixed-income portfolio, as well as shift investor preferences among asset classes. Interest rate risk is minimized by managing the duration of the fixed-income portfolio within predetermined prudent policy limits.

(f) Real Estate Risk

Risk in the real estate portfolio is managed through diversification across real estate types and locations. Adverse impacts in any one segment of the market or geographic location are minimized by having holdings diversified across property type, geographic location and investment size.

(g) Foreign Exchange Risk

The Board has certain investments denominated in foreign currencies. During 2003 the Board did not undertake hedging strategies for the currency risk of foreign investments and currency fluctuations influenced short-term returns. These fluctuations are not expected to affect the long-term position of the investment portfolio. The Board limits its holdings in foreign equities to 25% of the Board's total investment portfolio. As at December 31, 2003, the Board's holdings in foreign equities and pooled equity funds had a market value of \$175,300,000 (2002 - \$149,800,000) representing 19.8% (2002 - 18.3%) of the market value of the Board's total investment portfolio, including short-term investments.

6. Property, Plant and Equipment:

| | COST | ACCUMULATED AMORTIZATION | NET BOOK VALUE | |
|----------------------|------------------|-------------------------------------|-----------------------|------------------|
| | | | 2003 | 2002 |
| | | <i>(thousands of dollars)</i> | | |
| Land | \$ 1,375 | \$ - | \$ 1,375 | \$ 1,375 |
| Building | 19,568 | 6,282 | 13,286 | 12,770 |
| Office furnishings | 4,210 | 2,944 | 1,266 | 1,395 |
| Computer equipment | 10,843 | 8,705 | 2,138 | 2,485 |
| Software development | 24,370 | 22,384 | 1,986 | 2,277 |
| | <u>\$ 60,366</u> | <u>\$ 40,315</u> | <u>\$ 20,051</u> | <u>\$ 20,302</u> |

7. Accounts Payable and Accrued Liabilities:

| | 2003 | 2002 |
|---|-------------------------------|------------------|
| | <i>(thousands of dollars)</i> | |
| Merit rebates | \$ 13,172 | \$ 12,519 |
| Occupational Health & Safety | 6,339 | 6,072 |
| Employee benefits liability | 4,018 | 3,971 |
| Premium refunds | 3,356 | 3,941 |
| Other payables | 1,978 | 2,850 |
| Workers' Advocate | 687 | 636 |
| Education and Training (formerly Prevention Services) | 589 | 537 |
| Committee of Review | 9 | 190 |
| | <u>\$ 30,148</u> | <u>\$ 30,716</u> |

8. Department of Labour Expense:

Section 117(g), (h) and (i) of the Act provides that the Board expend monies for the cost of administration of the industrial safety program; the expenses, including salaries and remuneration, of the office of the Workers' Advocate; and the expenses of any Committee of Review established under the Act.

| | 2003 | 2002 |
|---|-------------------------------|-----------------|
| | <i>(thousands of dollars)</i> | |
| Occupational Health & Safety | \$ 6,339 | \$ 6,072 |
| Workers' Advocate | 687 | 636 |
| Education and Training (formerly Prevention Services) | 589 | 537 |
| | <u>\$ 7,615</u> | <u>\$ 7,245</u> |

9. Benefits Liabilities and Claim Costs Expense:

Benefits liabilities represent an actuarially determined provision for future benefits payments and administration costs arising from both reported and unreported claims resulting from work related injuries that occurred on or before December 31, 2003.

Benefits liabilities are determined in accordance with standards established by the Canadian Institute of Actuaries. Future benefits payments have been discounted to their present value by applying a real interest rate of 3.5% per annum. The determination of the future benefits payments involves applying economic and actuarial assumptions and methods, based on past experience, modified for current trends. As these assumptions may change over time to respond to economic conditions or administrative policies and practices, it is possible that such changes could cause a material change to the actuarial present value of future benefits.

Long-term economic and actuarial assumptions and methods are reviewed annually, prior to December 31 of each year when independent actuarial valuations are performed. The following long-term economic assumptions were used in the actuarial valuation of the benefits liabilities.

| | 2003 | 2002 |
|---|-------------|-------------|
| Inflation | 3.5% | 3.5% |
| Real future growth in gross wages | 1.0% | 1.0% |
| Real future increase in health care costs | 1.5% | 1.5% |

Adjustments, if any, resulting from the continuous review of entitlements and experience or from changes in legislation and actuarial assumptions or methods are recorded in the current year as claim costs expense together with the actuarial cost of claims for reported and unreported work related injuries that occurred during the year.

Benefits Liabilities Continuance Schedule

| | 2003 | | | | | | 2002 |
|--|--------------------------|-------------------------|----------------------|-------------------|------------------------------|-----------------------------------|-------------------|
| | Short Term Disability | Long Term Disability | Survivor Benefits | Health Care | Vocational Rehabilitation | Future Benefits Administration | Total |
| | (thousands of dollars) | | | | | | Total |
| BALANCE, beginning of year | <u>\$ 122,122</u> | <u>\$ 373,225</u> | <u>\$ 87,593</u> | <u>\$ 127,632</u> | <u>\$ 31,224</u> | <u>\$ 36,665</u> | <u>\$ 778,461</u> |
| | | | | | | | \$ 700,463 |
| ADD: Claim costs incurred: | | | | | | | |
| Current year injuries | 58,742 | 19,635 | 1,788 | 44,334 | 5,439 | 9,550 | 139,488 |
| Prior years' injuries | 9,471 | 40,048 | 3,692 | 4,645 | (243) | 2,052 | 59,665 |
| | <u>68,213</u> | <u>59,683</u> | <u>5,480</u> | <u>48,979</u> | <u>5,196</u> | <u>11,602</u> | <u>199,153</u> |
| | | | | | | | 221,106 |
| DEDUCT: Claim payments made: | | | | | | | |
| Current year injuries | 23,844 | 118 | — | 15,650 | 97 | 2,282 | 41,991 |
| Prior years' injuries | 43,564 | 38,907 | 10,231 | 29,179 | 5,293 | 6,672 | 133,846 |
| | <u>67,408</u> | <u>39,025</u> | <u>10,231</u> | <u>44,829</u> | <u>5,390</u> | <u>8,954</u> | <u>175,837</u> |
| | | | | | | | 179,805 |
| | <u>122,927</u> | <u>393,883</u> | <u>82,842</u> | <u>131,782</u> | <u>31,030</u> | <u>39,313</u> | <u>801,777</u> |
| | | | | | | | 741,764 |
| Changes legislated by The Workers' Compensation Amendment Act, 2002 | — | — | — | — | — | — | — |
| | | | | | | | 36,697 |
| BALANCE, end of year | <u>\$ 122,927</u> | <u>\$ 393,883</u> | <u>\$ 82,842</u> | <u>\$ 131,782</u> | <u>\$ 31,030</u> | <u>\$ 39,313</u> | <u>\$ 801,777</u> |
| | | | | | | | \$ 778,461 |

The table below shows the cash flows needed to pay benefits to existing claimants in future years. The cash outflows are the present value of future amounts required to pay benefits and have been determined using the above long-term assumptions.

| | |
|-----------------|------------------------|
| | (thousands of dollars) |
| 2004 - 2008 | \$ 412,719 |
| 2009 - 2013 | 182,611 |
| 2014 - 2018 | 98,845 |
| 2019 - 2023 | 52,809 |
| 2024 - 2028 | 27,597 |
| 2029 and beyond | 27,196 |
| | <u>\$ 801,777</u> |

The following is a reconciliation of the claim benefit liabilities:

| | 2003 (thousands of dollars) | 2002 |
|---|--------------------------------|--------------------------|
| BALANCE, beginning of year | <u>\$ 778,461</u> | <u>\$ 700,463</u> |
| ADD: | | |
| Provision for current year injuries | 139,488 | 148,385 |
| Interest allocated | 54,492 | 49,032 |
| Prior years' claim cost experience higher than expected | 21,750 | 25,191 |
| Effect of actual cost of living adjustment lower than expected | <u>(16,577)</u> | <u>(1,502)</u> |
| | 199,153 | 221,106 |
| DEDUCT: | | |
| Payments for prior years' injuries | 166,883 | 170,809 |
| Claim adjudication expenses for prior years' injury payments | <u>8,954</u> | <u>8,996</u> |
| | 175,837 | 179,805 |
| | 801,777 | 741,764 |
| Changes legislated by The Workers' Compensation Amendment Act, 2002 | <u>-</u> | <u>36,697</u> |
| BALANCE, end of year | <u><u>\$ 801,777</u></u> | <u><u>\$ 778,461</u></u> |

10. Deficiency in Assets:

| | 2003 | | | | | 2002 |
|---|---------------------------------------|-------------------------------------|--------------------------------------|--------------------|--------------------|--------------------|
| | Reserves | | | | | |
| | Disaster & Occupational Disease | Second Injury & Re-employment | Economic Stabilization Reserve | Injury Fund | Total | Total |
| | (thousands of dollars) | | | | | |
| BALANCE, beginning of year | \$ 22,770 | \$ 5,693 | \$ - | \$ (71,958) | \$ (43,495) | \$ 49,975 |
| LESS: | | | | | | |
| Expenses over revenues | - | - | - | (7,872) | (7,872) | (93,470) |
| ADD (LESS): | | | | | | |
| Appropriation to fund allocations to employers | 9,492 | 13,587 | - | (23,079) | - | - |
| ADD (LESS): | | | | | | |
| Allocations to employers | (9,492) | (13,587) | - | 23,079 | - | - |
| BALANCE, end of year | <u>\$ 22,770</u> | <u>\$ 5,693</u> | <u>\$ -</u> | <u>\$ (79,830)</u> | <u>\$ (51,367)</u> | <u>\$ (43,495)</u> |

In accordance with its authority under the Act, the Board has established reserves to meet costs arising from any disaster or other circumstances for which the liability would unfairly burden employers. These reserves are appropriated to provide cost relief to employers on claims which meet the reserve criteria and changes to legislated benefit levels, and protection against large fluctuations in the average premium rate.

11. Premiums:

| | 2003 | 2002 |
|------------------------------|-------------------------------|-------------------|
| | <i>(thousands of dollars)</i> | |
| Gross premiums billed | \$ 189,584 | \$ 165,776 |
| Merit rebates | (13,172) | (12,519) |
| Surcharge penalty | 4,570 | 4,349 |
| Industry safety associations | (3,369) | (3,185) |
| | <u>\$ 177,613</u> | <u>\$ 154,421</u> |

The Board levies an additional premium on certain industry codes to collect funds which are in turn disbursed to the safety associations representing those industries. In 2003, funds were collected on behalf of and disbursed to the Saskatchewan Forest Industries Safety Association Inc., Heavy Construction Safety Association of Saskatchewan Inc., Saskatchewan Construction Safety Association Inc., Service & Hospitality Safety Association of Saskatchewan Inc., Prairie Implement Manufacturers Association, Saskatchewan Professional Drivers Safety Council Inc., Saskatchewan Association of Health Organizations, C6 Safety Association of Saskatchewan Inc. and Saskatchewan Meat Industry Safety Association.

The Government of Canada is a self-insured employer whose claims are administered by the Board. The Government reimburses the Board for all claims paid out on their behalf plus an administration fee. Gross premiums reported are net of amounts received from the Government of Canada and accordingly claim costs do not include self-insured claims. Monies paid to the Board for reimbursement of these claims is reflected in the Statement of Cash Flows as cash received from premiums and monies paid out relating to these claims are recorded as cash paid out to claimants or third parties on their behalf.

12. Commitments:

The Board has commitments over the next five years for a base level of computer processing, building rental and equipment leasing, as follows:

| <i>(thousands of dollars)</i> | | | | |
|-------------------------------|--------|--------|--------|--------|
| 2004 | 2005 | 2006 | 2007 | 2008 |
| \$ 405 | \$ 391 | \$ 364 | \$ 364 | \$ 139 |

13. Measurement Uncertainty:

a) Benefits liabilities

An actuarial valuation of the benefits liabilities as at December 31, 2003 has been prepared by Hewitt Associates, an independent firm of consulting actuaries who have rendered their opinion that the valuation was prepared in accordance with accepted actuarial practice, and that the actuarial assumptions are appropriate. As disclosed in Note 9, the Board believes that the amount provided for benefits liabilities as at December 31, 2003 is adequate, recognizing that actuarial assumptions may change over time to reflect underlying economic trends and adjudication policies and practices. When they do, it is possible to cause a material change in the actuarial present value of the future benefits.

b) Premium revenue and accounts receivable

Accounts receivable at December 31 include an estimate of the annual premium revenues for the year that have not yet been received from employers. The recorded amounts are based upon management's best information and judgment, having regard to actual experience in preceding years. However, until all employers actually submit their final annual payroll information to the Board, the recorded premium revenues for the year and the estimated amounts receivable at year-end are subject to measurement uncertainty.

14. Employee Future Benefits:

The Board sponsors defined benefit and defined contribution pension arrangements covering substantially all employees. The Board uses actuarial reports prepared by an independent actuary for accounting purposes. The net defined benefit plan revenue is based on extrapolation of the results revealed in the most recent actuarial valuation of the pension plan as at December 31, 2002. The following significant actuarial assumptions were employed to determine the periodic pension expense and accrued benefit obligations:

| | 2003 | 2002 |
|--|-------------------|-------------|
| Expected long-term rate of return on plan assets | 6.25% | 6.25% |
| Discount rate | 6.25% | 6.25% |
| Average rate of compensation increase | 4.50% | 4.50% |
| Average remaining service period | 8.27 years | 8.27 years |
| Inflation | 3.00% | 3.00% |

The Board's net benefit plan revenue is as follows:

| | 2003 | 2002 |
|--|-------------------------------|-------------------|
| | <i>(thousands of dollars)</i> | |
| Current service cost - defined benefit | \$ 303 | \$ 279 |
| Interest cost | 1,511 | 1,474 |
| Expected return on plan assets | (1,751) | (2,203) |
| Amortization of net actuarial loss | 559 | — |
| Amortization of net transitional asset | (878) | (878) |
| Net benefit plan revenue | <u>\$ (256)</u> | <u>\$ (1,328)</u> |

During the current year the Board incurred costs of \$1,252,000 (2002 - \$1,154,000) related to its defined contribution plan.

Information about the Board's defined pension benefit plan is as follows:

| | 2003 | 2002 |
|---|-------------------------------|------------------|
| | <i>(thousands of dollars)</i> | |
| Accrued benefit obligation | | |
| Accrued benefit obligation, beginning of year | \$ 24,262 | \$ 22,489 |
| Current service cost - employer share | 303 | 279 |
| Current service cost - employee share | 137 | 139 |
| Interest cost | 1,511 | 1,474 |
| Changes in assumptions | — | 1,369 |
| Benefits paid | (1,051) | (1,488) |
| Accrued benefit obligation, end of year | <u>\$ 25,162</u> | <u>\$ 24,262</u> |
| Plan Assets | | |
| Fair value of plan assets, beginning of year | \$ 28,466 | \$ 31,060 |
| Actual return on plan assets | 3,124 | (1,245) |
| Employer contributions | — | — |
| Employee contributions | 137 | 139 |
| Benefits paid | (1,051) | (1,488) |
| Fair value of plan assets, end of year | <u>\$ 30,676</u> | <u>\$ 28,466</u> |
| Plan surplus | 5,514 | 4,203 |
| Unamortized net actuarial loss | 5,537 | 7,471 |
| Unamortized net transitional asset | (5,841) | (6,719) |
| Net accrued benefit asset | <u>\$ 5,210</u> | <u>\$ 4,955</u> |

15. Related Party Transactions:

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Board by virtue of common influence by the Government of Saskatchewan.

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms.

These transactions, and amounts outstanding at year-end, are as follows:

| | 2003 | 2002 |
|-------------------------|-------------------------------|--------|
| | <i>(thousands of dollars)</i> | |
| Accounts receivable | \$ 69 | \$ 12 |
| Investments | 7,562 | 6,374 |
| Accounts payable | 7,698 | 7,449 |
| Premium revenue | 38,310 | 32,185 |
| Investment income | 480 | 514 |
| Administration expenses | 1,249 | 1,539 |
| Claims costs | 13,787 | 16,185 |

In addition, the Board pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other related party transactions are disclosed separately in the notes.

16. Fair Value of Financial Assets and Liabilities:

The following methods and assumptions were used to estimate the fair value of each class of financial assets and liabilities:

- (i) For the following financial assets the fair values are considered to approximate quoted market values on recognized stock exchanges, based on the latest bid or transaction prices:
 - a) bonds and debentures
 - b) pooled bond fund
 - c) equities
 - d) pooled equity funds

The fair value of the pooled bond fund and pooled equity funds is determined by the market value of the underlying investments.

- (ii) The fair value of real estate is determined by independent individual property appraisals.
- (iii) The carrying value of cash, short-term investments, accounts receivable, accrued interest and accounts payable approximate their fair value due to the relatively short periods to maturity of the instruments.
- (iv) It is not practical to determine the fair value of the benefits liabilities due to their long-term nature. The Board does not intend to settle these liabilities in the near term and there is no ready market to determine their fair value.
- (v) The carrying value of the annuity fund payable approximates its fair value at December 31, 2003.

17. Contingencies:

Due to the size, complexity and nature of the Board's operations, various legal matters are pending. In the opinion of management these matters will not have a material effect on the Board's financial position or results of operations.

18. Comparative Figures:

Certain comparative figures have been changed to conform to the current year's presentation.

Schedule 1 - Administration Expenses

Year ended December 31, 2003

| | 2003 | 2002 |
|---|-------------------------------|------------------|
| | <i>(thousands of dollars)</i> | |
| Salaries and employee benefits | \$ 24,628 | \$ 23,964 |
| Amortization of property, plant and equipment | 4,606 | 4,319 |
| Consulting services | 1,546 | 1,727 |
| Building operations | 1,153 | 1,161 |
| Communications and postage | 962 | 1,028 |
| Computer processing | 934 | 3,060 |
| Travel and automobile expenses | 925 | 841 |
| Printing, stationery and office supplies | 765 | 892 |
| WorkSafe Saskatchewan | 590 | 32 |
| Professional services | 497 | 608 |
| Office rental | 452 | 650 |
| Miscellaneous | 405 | 755 |
| | <u>37,463</u> | <u>39,037</u> |
| Less: | | |
| Assessment penalties | 914 | 633 |
| Fees charged to Government of Canada | 933 | 800 |
| | <u>35,616</u> | <u>37,604</u> |
| Less: | | |
| Administration costs charged to Future Benefits | | |
| Administration (note 9) | 8,954 | 8,996 |
| | <u>\$ 26,662</u> | <u>\$ 28,608</u> |

Exhibit 1: Statement of Investments*Year ended December 31, 2003*

| Security | Par Value | Fair Value | Carrying Amount |
|------------------------------------|------------|------------|-----------------|
| <i>(thousands of dollars)</i> | | | |
| Government of Canada | \$ 162,035 | \$ 170,344 | \$ 168,552 |
| Province of British Columbia | 10,460 | 11,289 | 10,535 |
| Province of Manitoba | 5,542 | 6,027 | 5,673 |
| Province of Nova Scotia | 2,690 | 2,859 | 2,697 |
| Province of New Brunswick | 1,198 | 1,288 | 1,246 |
| Province of Newfoundland | 1,874 | 2,103 | 1,855 |
| Province of Ontario | 20,206 | 22,157 | 21,478 |
| Province of Quebec | 10,535 | 11,279 | 10,874 |
| Province of Saskatchewan | 7,463 | 7,958 | 7,562 |
| 407 International | 2,432 | 2,800 | 2,518 |
| 55 School Board Trust | 1,422 | 1,455 | 1,421 |
| Aeroports De Montreal | 1,097 | 1,137 | 1,097 |
| Alberta Capital Fin Authority | 2,763 | 2,790 | 2,734 |
| Alliance Pipeline | 1,746 | 1,952 | 1,769 |
| BCE Inc. | 1,016 | 1,106 | 1,015 |
| BNS Capital Trust | 1,883 | 2,052 | 1,902 |
| Borealis Enersource | 2,120 | 2,254 | 2,140 |
| Canada Housing Trust | 21,021 | 21,011 | 20,990 |
| Canadian Tire | 1,350 | 1,418 | 1,340 |
| Citigroup Finance Canada Inc. | 1,750 | 1,812 | 1,754 |
| Column Canada | 1,006 | 1,055 | 1,006 |
| Falcon Trust Comm. Mtg. | 1,008 | 1,036 | 1,008 |
| GE Capital Canada Funding Co. | 1,294 | 1,355 | 1,296 |
| Genesis Trust Power Line of Credit | 1,762 | 1,839 | 1,797 |
| Glacier Credit Card Trust | 1,588 | 1,602 | 1,588 |
| Gloucester Credit Card Trust | 3,436 | 3,583 | 3,460 |
| Golden Credit Card | 1,666 | 1,665 | 1,666 |
| Greater Toronto Airports Auth. | 1,398 | 1,483 | 1,397 |
| Greystone Capital Mgmt. Inc. | 268 | 268 | 268 |
| Hollis Receivables Term Trust | 1,725 | 1,814 | 1,780 |
| Hydro One Inc. | 2,431 | 2,472 | 2,439 |
| Investors Group Inc. | 1,917 | 2,104 | 1,926 |
| Loblaw Companies Ltd. | 2,174 | 2,165 | 2,165 |
| Merrill Lynch | 5,797 | 6,121 | 5,842 |
| Milit Air Inc. | 1,658 | 1,741 | 1,659 |
| N - 45 Degrees 1st CMBS Iss Corp. | 834 | 847 | 834 |
| Ontrea Inc. | 4,870 | 5,088 | 4,896 |
| Quebec Finance Corp. | 2,084 | 2,288 | 2,091 |
| RBC Capital Trust | 1,901 | 1,969 | 1,901 |
| Royal Bank of Canada | 2,238 | 2,289 | 2,245 |
| Sun Life Assurance Co. | 1,877 | 2,001 | 1,918 |
| Swift Trust | 2,135 | 2,273 | 2,135 |
| Toronto Dominion Bank | 2,899 | 2,981 | 2,901 |
| Transcanada Pipelines Ltd. | 1,374 | 1,414 | 1,377 |
| Wells Fargo Financial Canada Corp. | 962 | 1,014 | 970 |
| York Receivables Trust | 1,530 | 1,537 | 1,530 |
| KBSH Canadian Corporate Bond Fund | | 38,399 | 37,463 |
| Templeton Global Equity Trust | | 76,085 | 59,566 |
| Greystone EAFE Plus Fund | | 46,029 | 51,039 |

| Security | Par Value | Fair Value | Carrying Amount |
|------------------------------------|-----------|------------|-----------------|
| <i>(thousands of dollars)</i> | | | |
| Bank of Montreal | | 13,382 | 6,829 |
| Bank of Nova Scotia | | 20,144 | 9,508 |
| Barrick Gold Corp. | | 8,600 | 7,683 |
| Cameco Corp. | | 9,775 | 4,185 |
| Canadian Imperial Bank of Commerce | | 742 | 740 |
| Canadian National Railway | | 8,513 | 5,003 |
| Canadian Natural Resources Ltd. | | 10,934 | 5,921 |
| CGI Group Inc. | | 3,176 | 3,976 |
| Cott Corp. | | 3,656 | 2,563 |
| Decoma Intl. | | 1,071 | 1,012 |
| Dormtar Inc. | | 2,803 | 2,844 |
| Dorel Industries Inc. | | 1,080 | 1,210 |
| Encana Corporation | | 10,580 | 9,579 |
| Falconbridge Ltd. | | 691 | 640 |
| Finning Int'l Inc. | | 7,047 | 4,992 |
| Forzani Group Ltd. | | 1,519 | 1,701 |
| Loblaw Companies Ltd. | | 6,082 | 2,847 |
| MacDonald Dettwiler & Associates | | 1,333 | 1,324 |
| Magna Int'l Inc. | | 10,174 | 7,016 |
| Manulife Financial Capital Trust | | 11,299 | 10,837 |
| Masonite Intl. Corp. | | 7,311 | 3,531 |
| Meridian Gold Inc. | | 3,218 | 3,481 |
| Molson Inc. | | 5,754 | 5,251 |
| National Bank | | 5,610 | 4,779 |
| Open Text Corp. | | 3,056 | 2,646 |
| Patheon Inc. | | 1,913 | 2,473 |
| Penn West Petroleum Limited | | 6,883 | 4,520 |
| Petro-Canada | | 12,861 | 6,611 |
| Potash Corp of Saskatchewan Inc. | | 5,944 | 4,938 |
| Power Corp. of Canada | | 14,125 | 9,384 |
| Power Financial Corp. | | 8,281 | 3,557 |
| Rona Inc. | | 931 | 819 |
| Royal Bank of Canada | | 17,485 | 10,509 |
| Saputo Inc. | | 2,867 | 2,622 |
| Shoppers Drug Mart Corp. | | 5,238 | 4,076 |
| SNC-Lavalin Group Inc. | | 7,642 | 4,396 |
| Stratos Global Corp. | | 1,643 | 1,651 |
| Talisman Energy Inc. | | 7,188 | 4,679 |
| Transcanada Corp. | | 11,110 | 8,380 |
| Westjet Airlines Ltd. | | 3,181 | 2,712 |
| 3M Company | | 529 | 524 |
| Alliant Techsystems Inc. | | 1,255 | 1,370 |
| Amgen Inc. | | 1,593 | 1,168 |
| Anheuser-Busch Co. Inc. | | 1,089 | 821 |
| Apache Corp. | | 1,217 | 1,003 |
| Autozone Inc. | | 954 | 1,078 |
| Bank of America Corp. | | 1,703 | 1,355 |
| Best Buy Inc. | | 910 | 895 |
| Capital One Financial Co. | | 1,202 | 837 |

| Security | Par Value | Fair Value | Carrying Amount |
|---------------------------------------|------------------------|------------|-----------------|
| | (thousands of dollars) | | |
| Cardinal Health Inc. | | 1,594 | 1,383 |
| Church & Dwight Co. Inc. | | 694 | 544 |
| Citigroup | | 2,448 | 2,691 |
| Coach Inc. | | 993 | 584 |
| Computer Associates International | | 550 | 573 |
| Conocophillips | | 1,132 | 1,024 |
| Exxon Mobil Corp. | | 1,070 | 830 |
| Federal National Mortgage Association | | 1,632 | 1,620 |
| Fedex Corporation | | 1,114 | 1,136 |
| General Electric Co. | | 1,424 | 876 |
| Home Depot Inc. | | 581 | 800 |
| Intel Corp. | | 1,952 | 2,159 |
| ITT Industries Inc. | | 1,400 | 1,367 |
| KB Home | | 1,525 | 1,039 |
| Laboratory Corp. of America | | 1,120 | 1,294 |
| Lennar Corp. | | 1,264 | 831 |
| Lowes Cos. Inc. | | 1,310 | 1,321 |
| Microsoft Corp. | | 2,357 | 2,106 |
| Mohawk Industries Inc. | | 1,514 | 1,596 |
| Nabors Industries Ltd. | | 979 | 988 |
| Occidental Pete Corp. | | 1,239 | 1,008 |
| Pactiv Corp. | | 1,393 | 1,421 |
| Pfizer Inc. | | 2,054 | 2,539 |
| Praxair Inc. | | 1,491 | 1,204 |
| Procter & Gamble Co. | | 1,916 | 2,003 |
| Qualcomm Inc. | | 1,564 | 1,128 |
| Symantec Corp. | | 2,205 | 1,433 |
| Texas Instruments | | 1,229 | 1,398 |
| TJX Companies | | 403 | 203 |
| US Bancorp Del | | 1,642 | 1,413 |
| Washington Mutual Inc. | | 955 | 1,041 |
| 3100 Production Way | | 1,977 | 1,977 |
| 50 Bloor Street West | | 3,638 | 3,134 |
| 5800-5900 Explorer Drive Mississauga | | 3,443 | 3,465 |
| 752911 Alberta Ltd. | | 18 | 1 |
| Airways III | | 2,845 | 2,674 |
| Annacis Island | | 692 | 672 |
| Bramalea City Centre | | 2,700 | 1,718 |
| Brampton Business Park | | 3,303 | 2,956 |
| Bridgeport Road Equities Inc. | | 671 | 671 |
| Circle Properties Ltd. | | 3,766 | 3,270 |
| Commerce Valley Office | | 1,957 | 1,666 |
| Cordova Equities Inc. | | 1,953 | 1,953 |
| Eskimo Equities Inc. | | 409 | 367 |
| Ford Credit Canada | | 1,020 | 1,008 |
| Glenwood Estates | | 324 | 324 |
| Hewlett - Packard | | 4,101 | 3,881 |
| Key West | | 2,432 | 2,298 |
| KS Equities Inc. | | 1,292 | 1,236 |

| Security | Par Value | Fair Value | Carrying Amount |
|------------------------------|------------------------|-------------------|-------------------|
| | (thousands of dollars) | | |
| Marine Drive | | 571 | 557 |
| Pension Fund Realty Ltd | | 1 | 1 |
| Portland Street | | 1,741 | 1,702 |
| Rodick Equities Inc. | | 644 | 503 |
| Rutherford Properties Ltd. | | 1,867 | 1,790 |
| Seven Oaks Equities Inc. | | 2,670 | 2,340 |
| Sherwin Road Industrial Park | | 833 | 826 |
| Shoppers World | | 1,111 | 1,035 |
| Terra Losa Shopping Centre | | 1,792 | 1,597 |
| University Equities | | 1,110 | 1,108 |
| Victoria Gate | | 490 | 490 |
| Westhills Equity Inc. | | 1,277 | 1,138 |
| Weyburn Square | | 1,703 | 1,227 |
| | <u>\$ 312,435</u> | <u>\$ 859,997</u> | <u>\$ 746,929</u> |

| Security | Par Value | Fair Value | Carrying Amount |
|-----------------------------------|------------------------|-------------------|-------------------|
| | (thousands of dollars) | | |
| Government of Canada Bonds | \$ 162,035 | \$ 170,344 | \$ 168,552 |
| Provincial Government Bonds | 59,968 | 64,960 | 61,920 |
| Corporate Bonds | 90,432 | 93,791 | 90,775 |
| KBSH Canadian Corporate Bond Fund | — | 38,399 | 37,463 |
| | <u>312,435</u> | <u>367,494</u> | <u>358,710</u> |
| Templeton Global Equity Trust | | 76,085 | 59,566 |
| Greystone EAFE Plus Fund | | 46,029 | 51,039 |
| Canadian Equities | | 264,842 | 181,425 |
| American Equities | | 53,196 | 48,604 |
| | | <u>440,152</u> | <u>340,634</u> |
| Mortgages and Real Estate | — | 52,351 | 47,585 |
| | <u>\$ 312,435</u> | <u>\$ 859,997</u> | <u>\$ 746,929</u> |

Exhibit 2: Statement of Investment Dispositions

Year ended December 31, 2003

| Interest Rate % | Security | Maturity Date | Proceeds | Carrying Amount |
|------------------------|---------------------------------------|--------------------|----------|--------------------|
| (thousands of dollars) | | | | |
| | 3100 Production Way | Canadian Equity | \$ 14 | \$ 14 |
| 6.050 | 407 International | July 27, 2009 | 2,085 | 2,051 |
| 6.400 | 407 International | February 16, 2004 | 1,310 | 1,277 |
| 6.900 | 407 International | December 17, 2007 | 1,339 | 1,293 |
| | AGF Management | Canadian Equity | 4,200 | 7,090 |
| 7.181 | Alliance Pipeline | June 30, 2023 | 68 | 68 |
| 5.430 | Altalink | June 5, 2013 | 544 | 527 |
| | American Int'l Group | U.S. Equity | 751 | 478 |
| | Amgen Inc. | U.S. Equity | 168 | 127 |
| | Anheuser-Busch Co. Inc. | U.S. Equity | 193 | 145 |
| | Apache Corp. | U.S. Equity | 166 | 138 |
| | ATI Technologies | Canadian Equity | 2,358 | 4,845 |
| | Autozone Inc. | U.S. Equity | 487 | 546 |
| | Bank of Montreal | Canadian Equity | 252 | 152 |
| | Bank of America Corp. | U.S. Equity | 381 | 292 |
| 5.650 | Bank of Nova Scotia | July 22, 2008 | 778 | 732 |
| | Bank of Nova Scotia | Canadian Equity | 3,224 | 1,756 |
| | Barrick Gold Corp. | Canadian Equity | 171 | 184 |
| | Best Buy Inc. | U.S. Equity | 148 | 143 |
| | Bramalea City Centre | Canadian Equity | 2,850 | 2,299 |
| | Brampton Business Park | Canadian Equity | 701 | 634 |
| | Brinker Int'l Inc. | U.S. Equity | 1,341 | 1,060 |
| | Cameco Corp. | Canadian Equity | 2,205 | 1,327 |
| 6.000 | Canada Trustco Mortgage | September 13, 2004 | 1,928 | 1,859 |
| | Canadian National Railway | Canadian Equity | 4,894 | 3,556 |
| | Canadian Natural Resources Ltd. | Canadian Equity | 731 | 466 |
| 4.820 | Canadian Tire Receivable Trust | December 20, 2007 | 1,080 | 1,056 |
| | Capital One Financial Co. | U.S. Equity | 581 | 427 |
| | Carnival Corp. | U.S. Equity | 782 | 682 |
| | Chevrontexaco Corp. | U.S. Equity | 796 | 924 |
| | Church & Dwight Co. Inc. | U.S. Equity | 392 | 313 |
| 6.550 | Citibank Canada | July 28, 2005 | 1,483 | 1,393 |
| 4.050 | Citigroup Finance Canada Inc. | January 30, 2006 | 994 | 978 |
| | Coach Inc. | U.S. Equity | 161 | 102 |
| | Computer Associates International | U.S. Equity | 430 | 547 |
| | Conocophillips | U.S. Equity | 286 | 297 |
| | Cott Corp. | Canadian Equity | 188 | 153 |
| | Domtar Inc. | Canadian Equity | 5,085 | 5,581 |
| | Encana Corporation | Canadian Equity | 446 | 424 |
| | Eskimo Equities Inc. | Canadian Equity | 445 | 449 |
| | Exxon Mobil Corp. | U.S. Equity | 73 | 62 |
| 5.151 | Falcon Trust Comm. Mtg. | January 15, 2011 | 8 | 8 |
| | Federal National Mortgage Association | U.S. Equity | 248 | 270 |
| | Fedex Corporation | U.S. Equity | 339 | 324 |
| 5.750 | Financement Quebec | December 1, 2008 | 1,058 | 1,039 |
| | Finning Int'l Inc. | Canadian Equity | 1,941 | 1,588 |
| 5.150 | GE Capital Canada Funding Co. | June 6, 2013 | 1,285 | 1,314 |
| 5.300 | GE Capital Canada Funding Co. | July 24, 2007 | 1,524 | 1,461 |
| FR | GE Capital Canada Funding Co. | January 5, 2005 | 780 | 780 |

| Interest Rate % | Security | Maturity Date | Proceeds | Carrying Amount |
|------------------------|------------------------------------|--------------------|----------|--------------------|
| (thousands of dollars) | | | | |
| | General Electric Co. | U.S. Equity | 65 | 39 |
| 6.869 | Genesis Trust Power Line of Credit | February 15, 2005 | 1,623 | 1,581 |
| 5.693 | Gloucester Credit Card Trust | March 15, 2006 | 1,986 | 1,930 |
| 3.000 | Government of Canada | December 1, 2005 | 64,421 | 64,475 |
| 3.500 | Government of Canada | June 1, 2004 | 113,275 | 113,308 |
| 3.500 | Government of Canada | June 1, 2005 | 98,446 | 97,790 |
| 4.000 | Government of Canada | December 1, 2031 | 2,120 | 2,121 |
| 4.250 | Government of Canada | September 1, 2008 | 105,467 | 104,535 |
| 4.500 | Government of Canada | September 1, 2007 | 23,192 | 23,205 |
| 5.000 | Government of Canada | September 1, 2004 | 15,516 | 15,430 |
| 5.250 | Government of Canada | June 1, 2012 | 59,808 | 59,709 |
| 5.250 | Government of Canada | June 1, 2013 | 286,692 | 286,226 |
| 5.750 | Government of Canada | June 1, 2029 | 18,476 | 17,986 |
| 5.750 | Government of Canada | June 1, 2033 | 83,639 | 82,550 |
| 5.750 | Government of Canada | September 1, 2006 | 55,841 | 55,261 |
| 6.000 | Government of Canada | June 1, 2011 | 8,870 | 8,777 |
| 7.500 | Government of Canada | December 1, 2003 | 2,260 | 2,264 |
| 5.995 | Great West Life Capital Trust | December 31, 2012 | 1,412 | 1,357 |
| 6.250 | Greater Toronto Airports Auth. | January 30, 2012 | 1,903 | 1,915 |
| 7.100 | Greater Toronto Airports Auth. | June 4, 2031 | 915 | 942 |
| 7.000 | Greystone Capital Mgmt. Inc. | October 24, 2007 | 67 | 67 |
| | Greystone EAFE Plus Fund | Pooled Fund | 2,000 | 2,196 |
| 6.205 | Hollis Receivables Term Trust | September 21, 2004 | 1,986 | 1,950 |
| | Home Depot Inc. | U.S. Equity | 443 | 797 |
| 4.450 | Hydro One Inc. | May 4, 2007 | 1,440 | 1,398 |
| FR | Hydro Quebec | November 1, 2006 | 1,800 | 1,801 |
| | IPSCO Inc. | Canadian Equity | 2,401 | 4,004 |
| | KB Home | U.S. Equity | 121 | 75 |
| | KBSH Canadian Corporate Bond Fund | Pooled Fund | 5,150 | 4,768 |
| | Laboratory Corp. of America | U.S. Equity | 552 | 792 |
| | Lennar Corp. | U.S. Equity | 584 | 455 |
| 6.000 | Loblaws Companies Ltd. | June 2, 2008 | 1,137 | 1,068 |
| 6.540 | Loblaws Companies Ltd. | February 17, 2033 | 1,306 | 1,262 |
| | Loblaws Companies Ltd. | Canadian Equity | 2,405 | 1,285 |
| | Magna Int'l Inc. | Canadian Equity | 5,334 | 4,570 |
| 6.700 | Manulife Financial Capital Trust | June 30, 2012 | 1,610 | 1,511 |
| | Manulife Financial Corp. | Canadian Equity | 296 | 322 |
| | Marriott Intl Inc. | U.S. Equity | 304 | 273 |
| | Masonite Intl. Corp. | Canadian Equity | 291 | 170 |
| | Meridian Business Centre | Canadian Equity | 10 | 16 |
| 5.350 | Merrill Lynch | November 19, 2007 | 1,419 | 1,364 |
| 5.660 | Merrill Lynch | November 12, 2033 | 1,435 | 1,364 |
| | MI Development Inc. | Canadian Equity | 1,333 | 1,322 |
| 5.750 | Milit Air Inc. | June 30, 2019 | 65 | 65 |
| | Molson Inc. | Canadian Equity | 998 | 992 |
| 6.600 | NAV Canada | December 1, 2006 | 2,047 | 1,927 |
| 6.000 | Nova Gas | January 31, 2008 | 1,181 | 1,117 |
| | Occidental Pete Corp. | U.S. Equity | 194 | 188 |
| 5.557 | Ontrea Inc. | April 9, 2013 | 1,915 | 1,773 |

| Interest Rate % | Security | Maturity Date | Proceeds | Carrying Amount |
|-------------------------------|------------------------------|-------------------|----------|--------------------|
| <i>(thousands of dollars)</i> | | | | |
| 5.700 | Ontrea Inc. | October 31, 2011 | 1,319 | 1,306 |
| | Parkway Mall | Canadian Equity | 1,462 | 1,779 |
| | Penn West Petroleum Limited | Canadian Equity | 587 | 413 |
| | Petro-Canada | Canadian Equity | 305 | 178 |
| | Power Corp. of Canada | Canadian Equity | 365 | 317 |
| | Power Financial Corp. | Canadian Equity | 2,097 | 1,038 |
| | Praxair Inc. | U.S. Equity | 194 | 179 |
| 5.700 | Province of British Columbia | June 18, 2029 | 493 | 442 |
| FR | Province of British Columbia | June 12, 2007 | 1,706 | 1,706 |
| 5.250 | Province of Manitoba | December 3, 2012 | 1,160 | 1,151 |
| 5.875 | Province of New Brunswick | December 6, 2012 | 1,409 | 1,368 |
| 8.750 | Province of New Brunswick | April 19, 2005 | 871 | 838 |
| 6.550 | Province of Newfoundland | October 17, 2030 | 736 | 663 |
| 6.400 | Province of Nova Scotia | September 1, 2010 | 1,454 | 1,353 |
| 5.200 | Province of Ontario | March 8, 2007 | 3,913 | 3,916 |
| 5.375 | Province of Ontario | December 2, 2012 | 1,064 | 997 |
| 5.850 | Province of Ontario | March 8, 2033 | 1,357 | 1,344 |
| 6.100 | Province of Ontario | December 2, 2011 | 1,219 | 1,188 |
| 6.200 | Province of Ontario | June 2, 2031 | 1,408 | 1,399 |
| 6.200 | Province of Ontario | November 19, 2009 | 1,410 | 1,408 |
| 7.750 | Province of Ontario | July 24, 2006 | 5,664 | 5,258 |
| FR | Province of Ontario | February 1, 2006 | 4,995 | 4,998 |
| FR | Province of Ontario | May 30, 2008 | 4,604 | 4,604 |
| 5.500 | Province of Quebec | June 1, 2009 | 579 | 580 |
| 6.000 | Province of Quebec | October 1, 2012 | 3,818 | 3,621 |
| 6.500 | Province of Quebec | December 1, 2005 | 5,388 | 5,095 |
| 5.250 | Province of Saskatchewan | December 3, 2012 | 672 | 661 |
| | Qualcomm Inc. | U.S. Equity | 273 | 218 |
| | Quebecor World Inc. | Canadian Equity | 3,513 | 5,807 |

| Interest Rate % | Security | Maturity Date | Proceeds | Carrying Amount |
|-------------------------------|------------------------------------|-----------------|--------------------|--------------------|
| <i>(thousands of dollars)</i> | | | | |
| 7.288 | RBC Capital Trust | June 30, 2010 | 2,261 | 2,033 |
| 6.750 | Royal Bank of Canada | June 4, 2007 | 1,776 | 1,658 |
| | Royal Bank of Canada | Canadian Equity | 2,377 | 1,500 |
| | Royal Group Technologies Ltd. | Canadian Equity | 1,143 | 4,073 |
| | Saputo Inc. | Canadian Equity | 156 | 167 |
| | SBC Communications Inc. | U.S. Equity | 687 | 894 |
| | Schering Plough Corp. | U.S. Equity | 388 | 522 |
| | Shoppers Drug Mart Corp. | Canadian Equity | 1,959 | 1,820 |
| FR | Sun Life Assurance Co. | June 30, 2012 | 744 | 714 |
| | Symantec Corp. | U.S. Equity | 175 | 120 |
| | Talbots Inc. | U.S. Equity | 213 | 319 |
| | Talisman Energy Inc. | Canadian Equity | 259 | 192 |
| | Texas Instruments | U.S. Equity | 436 | 739 |
| | TJX Companies | U.S. Equity | 896 | 475 |
| 6.550 | Toronto Dominion Bank | July 31, 2007 | 2,335 | 2,204 |
| | Transalta Corp. | Canadian Equity | 2,361 | 3,079 |
| | Transcanada Corp. | Canadian Equity | 313 | 288 |
| | US Bancorp Del | U.S. Equity | 152 | 148 |
| | Victoria Gate | Canadian Equity | 10 | 10 |
| | Washington Mutual Inc. | U.S. Equity | 559 | 569 |
| | Waters Corp. | U.S. Equity | 395 | 766 |
| 5.500 | Wells Fargo Financial Canada Corp. | June 15, 2007 | 567 | 543 |
| | Weyburn Square | Canadian Equity | 253 | 253 |
| | | | <u>\$1,113,893</u> | <u>\$1,110,435</u> |

Exhibit 3:
Statement of Investment Acquisitions

Year ended December 31, 2003

| Interest Rate % | Security | Maturity Date | Par Value | Carrying Amount |
|------------------------|------------------------------------|-------------------|-----------|--------------------|
| (thousands of dollars) | | | | |
| 6.050 | 407 International | July 27, 2009 | \$ 1,952 | \$ 2,059 |
| 6.900 | 407 International | December 17, 2007 | 684 | 754 |
| 9.000 | 407 International | August 15, 2007 | 503 | 574 |
| | 3100 Production Way | Canadian Equity | | 1,991 |
| | 3M Company | U.S. Equity | | 524 |
| 5.900 | 55 School Board Trust | June 2, 2033 | 1,422 | 1,421 |
| 6.611 | Aéroports De Montreal | October 11, 2033 | 1,097 | 1,097 |
| | Airways III | Canadian Equity | | 60 |
| 5.000 | Alberta Capital Fin Authority | December 2, 2013 | 2,763 | 2,734 |
| 7.181 | Alliance Pipeline | June 30, 2023 | 581 | 606 |
| | Alliant Techsystems Inc. | U.S. Equity | | 403 |
| 5.430 | Altalink | June 5, 2013 | 527 | 527 |
| | Amgen Inc. | U.S. Equity | | 416 |
| | Anheuser-Busch Co. Inc. | U.S. Equity | | 198 |
| | Apache Corp. | U.S. Equity | | 1,141 |
| | Autozone Inc. | U.S. Equity | | 586 |
| | Bank of Montreal | Canadian Equity | | 1,113 |
| | Bank of America Corp. | U.S. Equity | | 412 |
| | Bank of Nova Scotia | Canadian Equity | | 662 |
| | Barrick Gold Corp. | Canadian Equity | | 1,316 |
| | Best Buy Inc. | U.S. Equity | | 1,039 |
| 6.626 | BNS Capital Trust | June 30, 2012 | 624 | 645 |
| 6.270 | Borealis Enersource | May 3, 2011 | 454 | 473 |
| | Bramalea City Centre | Canadian Equity | | 115 |
| | Bridgeport Road Equities Inc. | Canadian Equity | | 671 |
| | Brinker Int'l Inc. | U.S. Equity | | 124 |
| | Cameco Corp. | Canadian Equity | | 164 |
| 4.100 | Canada Housing Trust | December 15, 2008 | 21,021 | 20,989 |
| | Canadian Imperial Bank of Commerce | Canadian Equity | | 740 |
| | Canadian National Railway | Canadian Equity | | 736 |
| | Canadian Natural Resources Ltd. | Canadian Equity | | 1,887 |
| | Capital One Financial Co. | U.S. Equity | | 438 |
| | Cardinal Health Inc. | U.S. Equity | | 718 |
| | CGI Group Inc. | Canadian Equity | | 668 |
| | Chevrontexaco Corp. | U.S. Equity | | 231 |
| | Church & Dwight Co. Inc. | U.S. Equity | | 218 |
| | Citigroup | U.S. Equity | | 944 |
| 4.050 | Citigroup Finance Canada Inc. | January 30, 2006 | 979 | 978 |
| 4.300 | Citigroup Finance Canada Inc. | August 5, 2008 | 729 | 728 |
| | Coach Inc. | U.S. Equity | | 686 |
| | Computer Associates International | U.S. Equity | | 291 |
| | Conocophillips | U.S. Equity | | 943 |
| | Cordova Equities Inc. | Canadian Equity | | 1,953 |
| | Cott Corp. | Canadian Equity | | 312 |
| | Decoma Intl. | Canadian Equity | | 73 |
| | Domtar Inc. | Canadian Equity | | 201 |
| | Dorel Industries Inc. | Canadian Equity | | 1,210 |
| | Encana Corporation | Canadian Equity | | 2,403 |
| | Exxon Mobil Corp. | U.S. Equity | | 183 |

| Interest Rate % | Security | Maturity Date | Par Value | Carrying Amount |
|------------------------|---------------------------------------|-------------------|-----------|--------------------|
| (thousands of dollars) | | | | |
| | Falconbridge Ltd. | Canadian Equity | | 640 |
| | Federal National Mortgage Association | U.S. Equity | | 234 |
| | Fedex Corporation | U.S. Equity | | 356 |
| | Finning Int'l Inc. | Canadian Equity | | 838 |
| | Forzani Group Ltd. | Canadian Equity | | 170 |
| 5.150 | GE Capital Canada Funding Co. | June 6, 2013 | 1,316 | 1,314 |
| | General Electric Co. | U.S. Equity | | 406 |
| 4.444 | Glacier Credit Card Trust | November 20, 2008 | 1,588 | 1,588 |
| | Glenwood Estates | Canadian Equity | | 324 |
| 4.716 | Gloucester Credit Card Trust | May 15, 2008 | 1,409 | 1,409 |
| 5.590 | Gloucester Credit Card Trust | June 15, 2007 | 627 | 656 |
| 4.159 | Golden Credit Card | October 15, 2008 | 1,666 | 1,666 |
| 3.000 | Government of Canada | December 1, 2005 | 73,415 | 73,185 |
| 3.500 | Government of Canada | June 1, 2004 | 73,113 | 73,163 |
| 3.500 | Government of Canada | June 1, 2005 | 97,671 | 97,787 |
| 4.000 | Government of Canada | December 1, 2031 | 1,678 | 2,121 |
| 4.250 | Government of Canada | September 1, 2008 | 147,512 | 147,398 |
| 4.500 | Government of Canada | September 1, 2007 | 11,668 | 11,784 |
| 5.000 | Government of Canada | September 1, 2004 | 3,375 | 3,448 |
| 5.250 | Government of Canada | June 1, 2012 | 47,849 | 48,866 |
| 5.250 | Government of Canada | June 1, 2013 | 309,502 | 320,245 |
| 5.750 | Government of Canada | June 1, 2029 | 11,650 | 12,146 |
| 5.750 | Government of Canada | June 1, 2033 | 86,372 | 93,007 |
| 5.750 | Government of Canada | September 1, 2006 | 16,200 | 17,131 |
| 6.000 | Government of Canada | June 1, 2011 | 10,525 | 11,408 |
| 7.500 | Government of Canada | December 1, 2003 | 2,185 | 2,266 |
| 8.000 | Government of Canada | June 1, 2023 | 1,600 | 2,097 |
| 6.250 | Greater Toronto Airports Auth. | January 30, 2012 | 408 | 422 |
| | Greystone EAFE Plus Fund | Pooled Fund | | 860 |
| 5.672 | Hollis Receivables Term Trust | April 26, 2006 | 502 | 525 |
| | Home Depot Inc. | U.S. Equity | | 196 |
| 4.000 | Hydro One Inc. | June 23, 2008 | 1,413 | 1,411 |
| 4.450 | Hydro One Inc. | May 4, 2007 | 1,404 | 1,397 |
| 5.770 | Hydro One Inc. | November 15, 2012 | 1,018 | 1,029 |
| FR | Hydro Quebec | November 1, 2006 | 1,802 | 1,801 |
| | Intel Corp. | U.S. Equity | | 717 |
| 6.750 | Investors Group Inc. | May 9, 2011 | 234 | 249 |
| | ITT Industries Inc. | U.S. Equity | | 446 |
| | KB Home | U.S. Equity | | 375 |
| | KS Equities Inc. | Canadian Equity | | 1,203 |
| | Laboratory Corp. of America | U.S. Equity | | 418 |
| | Lennar Corp. | U.S. Equity | | 496 |
| 5.400 | Loblaw Companies Ltd. | November 20, 2013 | 886 | 884 |
| 6.000 | Loblaw Companies Ltd. | June 2, 2008 | 338 | 353 |
| 6.050 | Loblaw Companies Ltd. | June 9, 2034 | 1,288 | 1,281 |
| 6.540 | Loblaw Companies Ltd. | February 17, 2033 | 1,255 | 1,262 |
| | Loblaw Companies Ltd. | Canadian Equity | | 355 |
| | Lowes Cos. Inc. | U.S. Equity | | 1,321 |
| | MacDonald Dettwiler & Associates | Canadian Equity | | 1,324 |

| Interest Rate % | Security | Maturity Date | Par Value | Carrying Amount |
|------------------------|-----------------------------------|--------------------|-----------|--------------------|
| (thousands of dollars) | | | | |
| | Magna Int'l Inc. | Canadian Equity | | 989 |
| | Manulife Financial Corp. | Canadian Equity | | 1,067 |
| | Masonite Intl. Corp. | Canadian Equity | | 416 |
| | Meridian Gold Inc. | Canadian Equity | | 1,012 |
| 4.700 | Merrill Lynch | September 12, 2008 | 1,280 | 1,284 |
| 5.245 | Merrill Lynch | June 6, 2013 | 1,622 | 1,622 |
| | MI Development Inc. | Canadian Equity | | 1,322 |
| | Microsoft Corp. | U.S. Equity | | 613 |
| | Mohawk Industries Inc. | U.S. Equity | | 530 |
| | Molson Inc. | Canadian Equity | | 376 |
| 5.667 | N - 45 Degrees 1st CMBS Iss Corp. | November 15, 2013 | 834 | 834 |
| | Nabors Industries Ltd. | U.S. Equity | | 988 |
| | National Bank | Canadian Equity | | 4,779 |
| | Occidental Pete Corp. | U.S. Equity | | 305 |
| 5.557 | Ontrea Inc. | April 9, 2013 | 6,643 | 6,669 |
| | Open Text Corp. | Canadian Equity | | 182 |
| | Pactiv Corp. | U.S. Equity | | 305 |
| | Patheon Inc. | Canadian Equity | | 2,380 |
| | Penn West Petroleum Limited | Canadian Equity | | 720 |
| | Pension Fund Realty Ltd | Canadian Equity | | 1 |
| | Petro-Canada | Canadian Equity | | 1,914 |
| | Pfizer Inc. | U.S. Equity | | 616 |
| | Potash Corp of Saskatchewan Inc. | Canadian Equity | | 4,938 |
| | Power Corp. of Canada | Canadian Equity | | 552 |
| | Praxair Inc. | U.S. Equity | | 405 |
| | Procter & Gamble Co. | U.S. Equity | | 508 |
| 5.700 | Province of British Columbia | June 18, 2029 | 659 | 681 |
| 5.750 | Province of British Columbia | January 9, 2012 | 1,994 | 2,085 |
| 10.000 | Province of Manitoba | May 15, 2011 | 1,087 | 1,441 |
| 4.400 | Province of Ontario | November 19, 2008 | 1,650 | 1,641 |
| 5.200 | Province of Ontario | March 8, 2007 | 3,735 | 3,929 |
| 5.375 | Province of Ontario | December 2, 2012 | 995 | 997 |
| 5.850 | Province of Ontario | March 8, 2033 | 1,358 | 1,344 |
| 6.100 | Province of Ontario | December 2, 2011 | 4,707 | 5,043 |
| 6.100 | Province of Ontario | November 19, 2010 | 2,332 | 2,593 |
| 6.200 | Province of Ontario | June 2, 2031 | 1,527 | 1,655 |
| 6.200 | Province of Ontario | November 19, 2009 | 1,307 | 1,413 |
| 7.600 | Province of Ontario | June 2, 2027 | 1,307 | 1,599 |
| FR | Province of Ontario | February 1, 2006 | 3,289 | 3,293 |
| FR | Province of Ontario | May 30, 2008 | 4,604 | 4,604 |
| 5.500 | Province of Quebec | June 1, 2009 | 6,208 | 6,450 |
| 6.000 | Province of Quebec | October 1, 2012 | 1,133 | 1,191 |
| 6.400 | Province of Saskatchewan | September 5, 2031 | 1,669 | 1,850 |
| | Qualcomm Inc. | U.S. Equity | | 1,346 |
| 5.812 | RBC Capital Trust | December 31, 2013 | 1,901 | 1,901 |
| 7.288 | RBC Capital Trust | June 30, 2010 | 656 | 720 |
| | Rona Inc. | Canadian Equity | | 819 |
| FR | Royal Bank of Canada | November 4, 2018 | 2,238 | 2,245 |
| | Royal Bank of Canada | Canadian Equity | | 586 |

| Interest Rate % | Security | Maturity Date | Par Value | Carrying Amount |
|------------------------|------------------------------------|-------------------|-----------|--------------------|
| (thousands of dollars) | | | | |
| | Seven Oaks Equities Inc. | Canadian Equity | | 16 |
| | Shoppers Drug Mart Corp. | Canadian Equity | | 355 |
| | SNC-Lavalin Group Inc. | Canadian Equity | | 630 |
| | Stratos Global Corp. | Canadian Equity | | 1,651 |
| FR | Sun Life Assurance Co. | June 30, 2012 | 1,021 | 1,067 |
| | Symantec Corp. | U.S. Equity | | 572 |
| | Talisman Energy Inc. | Canadian Equity | | 792 |
| | Templeton Global Equity Trust | Pooled Fund | | 1,589 |
| | Texas Instruments | U.S. Equity | | 775 |
| | TJX Companies | U.S. Equity | | 40 |
| 5.690 | Toronto Dominion Bank | June 3, 2013 | 1,612 | 1,614 |
| 6.550 | Toronto Dominion Bank | July 31, 2007 | 659 | 712 |
| FR | Toronto Dominion Bank | September 5, 2008 | 1,287 | 1,287 |
| | Transcanada Corp. | Canadian Equity | | 975 |
| 5.650 | Transcanada Pipelines Ltd. | January 15, 2014 | 1,374 | 1,377 |
| | University Equities | Canadian Equity | | 1,107 |
| | US Bancorp Del | U.S. Equity | | 1,358 |
| | Victoria Gate | Canadian Equity | | 499 |
| | Washington Mutual Inc. | U.S. Equity | | 569 |
| 5.500 | Wells Fargo Financial Canada Corp. | June 15, 2007 | 442 | 460 |
| | Westjet Airlines Ltd. | Canadian Equity | | 2,712 |
| 4.272 | York Receivables Trust | July 21, 2008 | 1,530 | 1,530 |

\$1,007,465 \$1,109,773



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S4P 4L1

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Report on Decisions

2003

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Vision / Mission Statement

The Saskatchewan Workers' Compensation Board's mission and sole purpose is to serve injured workers and their employers. Our vision is to excel in the development and delivery of workers' compensation and injury prevention programs and services.

In support of our mission and vision we will:

1. Provide the right service, at the right time, and be cost-effective in our processes.
2. Act with dignity and treat everyone with respect.
3. Conduct our business in a fair, open, honest and professional manner.
4. Bring about positive relationships with workers, employers, and others affected by the workers' compensation system.
5. Communicate our distinct identity, benefits and values.
6. Expect and recognize individual and corporate achievements and contributions to our workplace.
7. Ensure the financial integrity of the Workers' Compensation Board.

Statement of Beliefs

The Statement of Beliefs is rooted in the Meredith Principles and describes what the WCB holds to be true about Saskatchewan's compensation system, our stakeholders, and the nature of our relationships with workers, employers and the people of Saskatchewan.

Our corporate beliefs are:

- 1** Injured workers and employers deserve excellent service.
- 2** Workers, employers, and others deal with us honestly.
- 3** Employers care about their employees and care that their employees receive excellent service.
- 4** The WCB's future relies on positive relationships built on trust, understanding and co-operation in our programs and decisions.
- 5** WCB employees want to excel in customer service.
- 6** The WCB is guided by its corporate values in all of its decisions.

Values Statement

Our corporate values are the standards by which our actions and decisions are to be considered and judged by others.

- 1 Dignity** – those we serve and those we work with are treated with respect and consideration.
- 2 Fair** – those we serve and those we work with are treated equally and without prejudice or bias.
- 3 Honest** – those we serve and those we work with are treated truthfully.
- 4 Open** – our programs and services are easy to access and to understand. Our decisions and actions are clear, reasonable and open to examination.

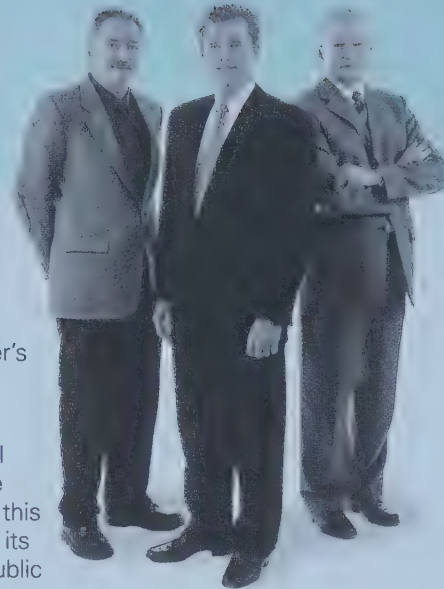
The Meredith Principles

The Meredith Principles were articulated by Sir William Meredith in Ontario in 1910 and later adopted by all Canadian provinces and territories. Saskatchewan's compensation system began with these Meredith Principles in 1930 and has continually reaffirmed their importance.

The Meredith Principles ensure that the compensation system contributes to social and economic stability, and positively affects quality of life in Saskatchewan.

- 1 No fault compensation:** every work-related injury is covered regardless of who is to blame – the employee, employer or co-worker.
- 2 Security of benefits:** the system shall be fully funded to ensure that there are sufficient funds to meet current and future costs arising from work injuries.
- 3 Collective employer liability:** all employers contribute to the system based on industry groupings, thus ensuring certainty of payment for injured workers and removing the risk of bankruptcy for employers.
- 4 Independence of the Board:** the system shall be governed by an independent Board which can fairly serve and respond to the needs of workers and employers without partisan political influence.
- 5 Exclusive jurisdiction:** the Board has exclusive jurisdiction so that each claim can be considered on its individual merits and benefits can be provided promptly without the need to sue for damages.

Chair's Message



Board Members I. to r.:
Walter Eberle
Labour representative
John Solomon
Chairman
Norm Brown
Employer
representative

Welcome to the WCB's first stakeholder's report – a complementary document to our annual financial report.

This new publication increases the level and detail of accountability to which the WCB is committed. Equally important, this report links the organization's results to its strategic plan, and places both under public scrutiny.

Stakeholders need and deserve information about the organization that serves them, and an organization needs the fullest understanding possible from its stakeholders.

If ever there was a year that demonstrated how the WCB depends on its stakeholders, 2003 was that year.

In 2003 we emerged from a "perfect storm" that had battered the compensation system for nearly three years: falling investment markets, higher injury rates that translate into an increasing number of claims, and record costs related to the high number of claims.

By the end of the year, our environment was looking much brighter: investment markets had become much more positive, injury durations were lower and the injury rate took a break from its long-term rise – all of this contributing to a lower-than-expected operating shortfall.

The problem

We see confirmation that the WCB is moving in the right direction, and must continue to steer this steady course.

Yet one threatening dark cloud remains over us: the number of injuries, and their severity, increases every year.

Few realize that injuries represent the second-largest health risk in the country. And this situation continues despite the fact that injuries are predictable and preventable.

Injuries cannot be legislated away or administered down to size. They have to be prevented – by individual actions – in each and every workplace across our province.

The action plan

Only a widespread change in attitude and behaviour will free the compensation system from the necessity of continually spending more money on more injuries.

This is where the WCB's dependence on its stakeholders becomes crystal clear:

- If workers and employers change the factors that cause injury, costs will go down.
- Without such change, the human and financial costs will keep rising in step with the number of injuries. And workers and employers will continue to pay that rising price.
- Employers must realize that a well-funded injury prevention program in the workplace is not a cost; it's an investment in their employees and in their businesses.

The costs of workplace injuries are many: human suffering, diminished opportunity costs, reduced productivity and increased financial costs.

Yet we believe positive change is possible.

We believe our stakeholders want fewer injuries and a reduction in those human and financial costs. We know that many workplaces are already models of safe standards and practices, demonstrating that safety can be achieved cost-effectively. And the WCB has already committed significant funds every year to supporting organizations that promote or enforce safety.

More than that, we are now making new investment in the struggle to make injury prevention a part of everyday behavior. The Board Members' direction to the administration has been to develop an action plan that makes injury prevention a top priority.

The resulting action plan has already produced positive results, specifically through **WorkSafe Saskatchewan**, a partnership between the WCB and Saskatchewan Labour. This program promotes safety awareness and profiles organizations and individuals who could serve as role models for effective injury prevention in the workplace. We are convinced that injury prevention – like administrative efficiency and program effectiveness – is part of the steady course the WCB must steer in the year ahead.

But clearly, injury prevention is not a path we can travel alone.

The challenge of the future

The **WorkSafe Saskatchewan** partnership is the beginning.

Already we have created productive partnerships with the Saskatchewan Safety Council, Saskatchewan Labour and the Saskatchewan Federation of Labour.

Next must come partnerships with Saskatchewan's employers and workers.

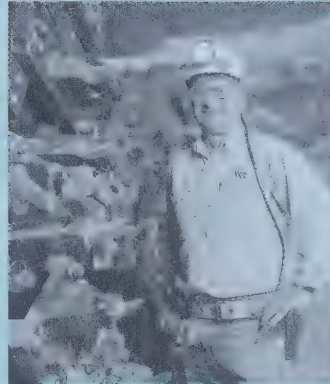
Only together can we create the broad social change that will reduce injuries.

The WCB's mission is excellence in workers' compensation and injury prevention. We are moving clearly towards that goal with the Board's direction on strategy, investment and administrative efficiency and effectiveness. On all of these fronts, we have made progress in 2003.

But partnerships in injury prevention will be the continued challenge for the years ahead. Success on that front will depend on – and be shared by – all of our stakeholders.



John Solomon,
Chairman



"I've been on the occupational health committee for about 20 years, and it's the teamwork that's given us a good safety record."

Jim Adam,
Mine Operations Superintendent,
PCS Potash, Lanigan Division

CEO's Message

WCB operations during 2003 were increasingly focused on building positive relationships with our stakeholders.

- A new Fair Practices Officer position was created to investigate complaints from injured workers and employers who believe the WCB failed to fairly apply its policies, practices and procedures.
- Our return-to-work (RTW) processes have been strengthened by a requirement for a RTW plan to be prepared for all long-term time-loss claims. In addition, an RTW "prescription pad" was prepared to assist doctors in reporting the extent to which their patients are able to participate in modified work on a timely basis.
- The integrated partnership model continues to emphasize the importance of good and timely communication among all stakeholders in fulfilling their roles and responsibilities in the return-to-work process.
- Our Injury Fund replenishment program was extended to 15 years from 10 in response to employer input.
- Our client service surveys have been made compatible with the standard Common Measurement Tool, a survey methodology tailored to the unique service aspects of public sector agencies. At the same time a national survey of public sector service rated satisfaction at 65 percent, the WCB's own surveys saw satisfaction among our customers average 84%.
- Our claims duration was reduced, thanks in part to our new claims management program that creates working partnerships with all our stakeholders.

Partnerships take time, but we are convinced that only through cooperation between employers, workers, the health care community and government can we triumph over the challenges the WCB faces.

The biggest of these challenges is the stubborn history of increases in Saskatchewan's injury rate.

Rising injury rates offset every achievement we make in other areas of enhancement to the compensation system. Neither our successes in controlling and lowering administrative costs, nor our ability to benefit from good years in the investment market, can outweigh the steady financial drain of an increasing volume of injuries.



Executive Members l. to r.:

Gail Kruger
Vice-President,
Prevention, Finance &
Information Technology
Graham Topp
Vice-President, Operations
Peter Federko
Chief Executive Officer
Donna Kane
Vice-President,
Human Resources &
Team Support

Why do accidents keep on rising – and thereby driving up financial and human costs – when our province has a static population base?

We believe the answer lies in a combination of awareness and attitude. Simply, everyone must accept responsibility for prevention and safety. Employers and workers must first accept that injuries are predictable and preventable, and then know how to make worksites safer. Above all, however, they must commit to make safety a primary goal every day for every job.

The WCB can't create this kind of vital change in the workplace. That is in the hands of workers and employers. Our role is to encourage and support those changes through active, creative partnerships.

Last year we began a public information and awareness campaign around **WorkSafe Saskatchewan**. Our sponsorship partner was Saskatchewan Labour, and we found many companies and workers who were prepared to partner with us by letting us tell their stories about safety successes.

Our research shows public awareness of workplace injuries as an issue increased dramatically as a result of that program. In 2004 we will build on that success. Our goal is to develop much broader and more proactive partnerships with employers and their organizations, and with the organizations representing workers.

The workers' compensation system was created as a program representing and serving the needs of workers and employers. As we steer a steady course in administration of the system, we also have to be creative in finding new ways to tap the mutual interest and the huge potential that our stakeholders bring to the table.



Peter Federko
Chief Executive Officer



"The biggest benefit of our safety program is the high morale of our people. We're very productive, and we have a very low turnover rate."

Al Matt,
Production Manager,
USF WaterGroup

Year at a Glance

| | 2003 | 2002 | 2001 | 2000 | 1999 |
|--|----------------|---------|---------|---------|---------|
| Number of workers covered * | 309,362 | 306,518 | 308,719 | 306,469 | 305,103 |
| Lost time claim rate (per 100 workers)** | 4.81 | 4.95 | 4.79 | 4.71 | 4.30 |
| Number of claims reported | 38,919 | 39,821 | 38,240 | 37,717 | 36,346 |
| Number of lost time claims accepted** | 14,876 | 15,174 | 14,786 | 14,433 | 13,108 |
| Permanent Functional Impairment awards | 469 | 484 | 407 | 443 | 390 |
| Fatal claims accepted | 26 | 16 | 29 | 35 | 31 |
| Number of appeals filed | | | | | |
| Appeals Committee | 1,081 | 979 | 826 | 873 | 813 |
| Board Level | 240 | 297 | 246 | 201 | 212 |
| Return to work percentages | | | | | |
| Secondary treatment centres | 87% | 90% | 91% | 85% | 87% |
| Tertiary treatment centres | 73% | 69% | 66% | 66% | 67% |
| Claims costs (in millions) | 199.2 | †221.1 | †239.3 | †146.0 | 142.1 |
| Active employer accounts *** | 31,630 | 31,327 | 31,225 | 31,657 | 32,454 |
| Premium revenue (in millions) | 177.6 | †154.4 | 147.8 | 124.8 | 141.5 |
| Average actual premium rate**** (per \$100 of insurable earnings) | 1.83 | 1.65 | 1.57 | 1.61 | 1.66 |
| Investment revenue (in millions) | 48.0 | 46.0 | 72.0 | 105.6 | 96.2 |
| Benefits liabilities (in millions) | 801.8 | 778.5 | 700.5 | †631.1 | 592.1 |
| Reserves and Injury Fund (in millions) | (51.4) | (43.5) | 50.0 | †105.8 | †132.3 |

* Full-time equivalent workers based on Statistics Canada average wage and WCB payroll information as of December 31st. 2003 full-time equivalent workers based on estimate of both average wage and payroll information.

** Number of time loss claims and the lost time claim rate are as at December 31st.

*** Includes active employers as at December 31st.

**** Revised for 2003 reporting year to demonstrate effective rate, net of merit/surcharge. All years, except for 2003, are actual rates. 2003 is a provisional rate.

† Certain comparative figures have been changed to conform to the current year's presentation.

Comparison With Canadian WCBs

While each Canadian workers' compensation board and commission administers a unique legislative mandate, all Canadian compensation systems have a great deal in common.

The Saskatchewan WCB compared favourably to other Canadian jurisdictions in 2002 and 2003:

- The lowest cost per appeal decision of any compensation board in Canada.
- The second lowest average provisional assessment rate in 2003 among all the provinces.
- The second lowest average administration cost per time loss claim in 2002.
- One of the highest rates of investment returns among Canadian WCBs.
- The second lowest average composite duration of claims among all Canadian WCBs, according to indicators established by the Association of Workers' Compensation Boards of Canada (AWCBC).



"Being on the health committee for nine years has made me more safety-conscious, and I think we're all more likely to notice potential hazards and mention them because we know they will be dealt with."

Nancy Dezotell,
Receptionist and Accounting,
Centennial Ford, Watrous

WorkSafe Saskatchewan

WorkSafe Saskatchewan is a joint initiative of the WCB and Saskatchewan Labour to promote a positive safety culture in the workplace by integrating safety and injury prevention programs that effectively reach province-wide audiences. The program's mission is to foster workplace partnerships committed to preventing the causes and reducing the impacts of occupational illness and injury.

WorkSafe Saskatchewan's activities focus on three strategies designed to achieve the program's goal:

- 1. Promote Prevention** - to develop and implement awareness campaigns that advance prevention, using the **WorkSafe Saskatchewan** brand name.
- 2. Education and Training** - to facilitate occupational health and safety education and training.
- 3. Share Resources and Information** - to develop and co-ordinate initiatives and to share information that advances prevention activities.

The first major initiative by **WorkSafe Saskatchewan** since its inception in 2002 was the creation of a website and CD-ROM with collections of occupational health and safety resources designed to help workers and employers prevent injuries and illnesses in their workplaces. New resources are continually being added to the website, which includes contributions from the WCB, Saskatchewan Labour, the Canadian Centre for Occupational Health and Safety and other contributors. This initiative has been welcomed by occupational health and safety practitioners.

In 2003 **WorkSafe Saskatchewan** launched a major campaign to raise public awareness of the importance of health and safety in the workplace, and to emphasize the shared workplace responsibility for injury prevention.

Using print ads and 30-second radio commercials, the first phase of the campaign profiled four employers operating in different industries who have compiled strong safety records, or who have achieved significant improvements in workplace safety. These ads, which ran in Spring 2003, highlight the benefits of implementing best safety practices in the workplace and of reducing the human and financial costs associated with injuries or illnesses.



"I'm the Operations Superintendent for EnCana's operations in the Weyburn oilfield. We place a high priority on safety, and that includes our summer hires

"In ten years we haven't had a serious safety incident involving our summer students.

"Before the students we hire can work in the oilfield they have to take some mandatory training, so they spend a week at the Southeast Community College learning first aid, and about the hazards of our work."

Darcy Cretin, Operations Superintendent, EnCana, Weyburn





The second phase of the campaign, which ran in the Fall, focused on the experiences of employee and employer representatives on occupational health committees in four different workplaces with commendable safety records. This series of ads emphasizes the effectiveness of safety programming when everyone

shares responsibility to identify the causes of occupational injuries and illnesses and takes action to prevent them or reduce their impact. Over the summer the campaign switched to billboards promoting **WorkSafe Saskatchewan** as the province's workplace injury prevention brand name.

WorkSafe Saskatchewan was launched as the workplace injury rate in the province was at a 20-year high of 4.95 per 100 workers, the second-highest reported injury rate in Canada. As one of its corporate objectives, the WCB has committed to reducing the province's injury rate to 4 per cent by 2007. The **WorkSafe Saskatchewan** public awareness campaign is one of several programs administered by the WCB and Saskatchewan Labour geared to reducing injuries in various industries.

The WCB recognizes that changing behaviours and attitudes is an ongoing process. A post-campaign survey showed a 12 per cent increase in awareness of the injury prevention message from the beginning to the end of the Spring 2003 campaign. Although the Fall campaign was cut short by the provincial election, a further seven per cent increase in awareness was recorded following the second phase. The survey also indicated that 87 per cent of respondents believe the WCB should continue to invest in campaigns promoting safety and injury prevention.



Ben Boots and Paul Merifield both sit on the occupational health committee at the Buffalo Pound Water Treatment Plant. Most safety issues, they say, are dealt with even before they reach the safety committee.

"We're very open to concerns and issues," adds Ben, the plant superintendent, "because the workers are more likely to see a potential safety hazard. Our foreman does a wonderful job working with the staff and dealing with concerns."

Ben Boots, Plant Superintendent
Paul Merifield, Maintenance Worker
Buffalo Pound Water Treatment Plant

Balanced Scorecard

Individual and Team Effectiveness

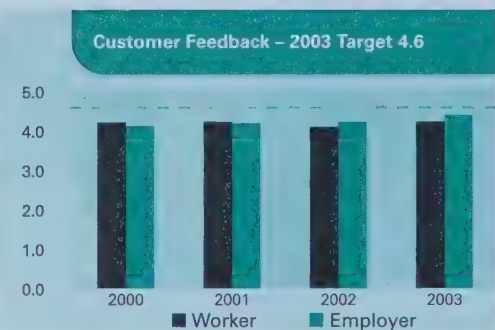
Constructive Culture

- Measures the rating staff give each year to positive aspects of the WCB's workplace culture. 100 represents the median score for companies using this test instrument.
- In 2003, teams looked at their own work unit results to identify opportunities to help the WCB move closer to its target. Audit results continue to indicate progress toward the ideal constructive culture.



Congruence of Values and Behaviours

- Provides customers' view of how our staff demonstrate support for WCB values. Created from separate quarterly surveys of workers, employers and partners.
- In 2003, the WCB adopted a composite index for measuring WCB values as rated by injured workers and employers. The index uses a five-point scale, ranging from "1" (very dissatisfied) to "5" (very satisfied). A rating of 4 or above indicates that overall, injured workers and employers are satisfied that WCB staff adhere to a high standard of values.
- 2003 results continue to indicate WCB staff closely mirror the corporate values in their interactions with clients and stakeholders.



Process Effectiveness

Return to Work

- Shows the proportion of injured workers who have returned to employment after being declared employable.
- Based on all closed claims, 92% of injured workers declared employable returned to work in 2003, the same result as last year. The remainder either moved to long-term compensation, or although considered employable, did not return to work for reasons unrelated to their claim.



Income Replacement

- Shows the proportion of workers receiving their first wage loss cheque within 14 days of the date of injury.
- In 2003, 62% of workers eligible for wage loss benefits were receiving their first payment within 14 days of the date of their injury. 75% of eligible workers received their first cheque within 14 days of the date the WCB was notified. The difference reflects delays in reporting.



Employer Services

- Shows the promptness with which new employer accounts are identified, classified and assessed.
- 84% of new employers were assessed within 10 days of the WCB learning the firm was conducting business, in 2003.
- In 2003, the standard was raised to 10 days from the previous 30 days. Even with a more aggressive standard, the level achieved the previous year was maintained.



Appeals

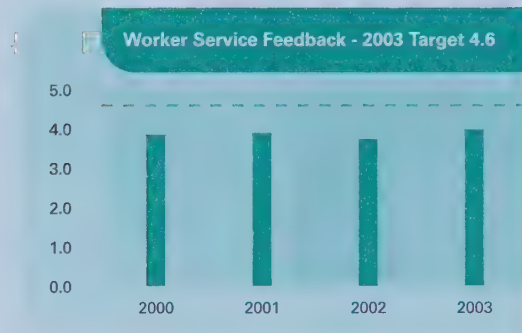
- Shows the length of time to process an appeal from the date it is received by the WCB until the date a decision is rendered.
- The percentage of appeals processed within 30 days at the Appeals Committee level has remained relatively constant. Significant progress has been made in reducing the time to render a decision at the Board level, and accordingly the percentage of decisions provided within the targeted timelines has increased significantly.



Premier Customer Service

Workers' Perspective

- Gives an external confirmation of whether our staff offers a high quality of service to injured workers, using a quarterly random survey of claimants. A composite index relating to WCB service was adopted in 2003. The index uses a five-point scale, ranging from "1" (very dissatisfied) to "5" (very satisfied). A rating of 4 or above indicates that overall, workers are satisfied with the quality of service provided by the WCB.
- 2003 results show increased movement toward targeted satisfaction levels.



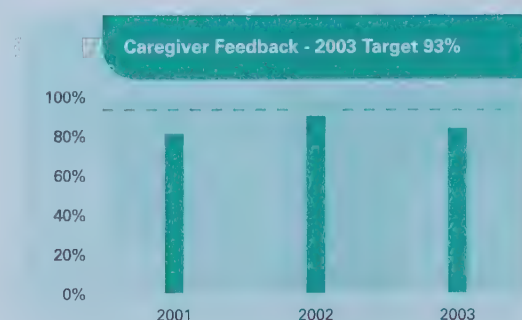
Employers' Perspective

- Gives an external confirmation of whether our staff offers a high quality of service to employers, using a quarterly random survey. A composite index similar to that of the Workers' Perspective was introduced in 2003. A rating of 4 or above indicates that overall, employers are satisfied with the quality of service provided by the WCB.
- Employer satisfaction levels have shown steady gains since 2000.



Caregivers' Perspective

- Gives an external confirmation of how our staff offers a high quality of service to health care providers, using a biannual survey.
- The caregivers survey continues to report satisfaction with the WCB's quality of service as a percentage. Caregivers have shown high levels of satisfaction over the past three years.



Financial Integrity

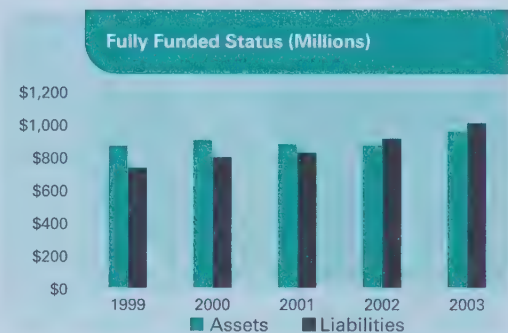
Stability of Rates

- Shows the fluctuation in employers' rates over time.
- Despite a rate increase in 2003, the \$1.83 average employer premium rate net of discounts was the second lowest among provincial jurisdictions.



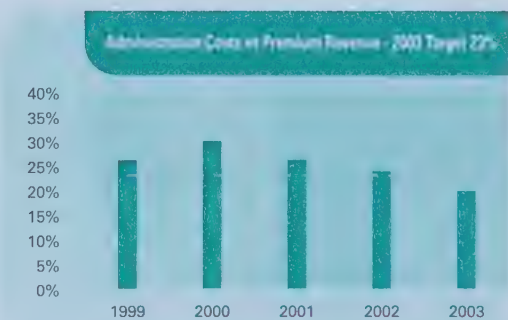
Fully Funded Status

- Shows the comparison between the WCB's assets and liabilities. For 2003, assets were \$889.5 million and liabilities were \$940.9 million.
- The WCB maintains a future benefits administration liability of \$39.3 million which is not a legislated requirement. The board is 98.6% funded according to its legislation.



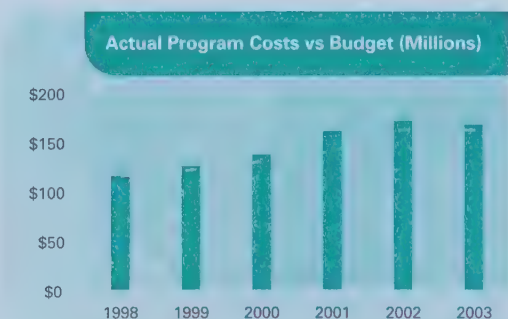
Operational Efficiency

- Shows the ratio between the WCB's administrative costs and premium revenue (net of merit/surcharge and safety association funding). The objective is for the ratio to fall below the stated target.
- The amount spent on administration in 2003 was the lowest since 1998 and resulted in an administrative cost-to-premium-revenue ratio of 20%.



Stability of Benefits

- Demonstrates the amount spent annually on benefit programs.
- In 2003, program expenses decreased by \$6.2 million from 2002. Key reasons for this decrease include fewer time loss claims and a drop of more than five days since 2001 in the number of days paid per time loss claim.



Statistical Summary



Claims Reported¹

| | |
|------|--------|
| 1999 | 36,346 |
| 2000 | 37,717 |
| 2001 | 38,240 |
| 2002 | 39,821 |
| 2003 | 38,919 |



Claims Accepted

| | |
|------|--------|
| 1999 | 31,476 |
| 2000 | 32,927 |
| 2001 | 33,552 |
| 2002 | 35,128 |
| 2003 | 34,949 |



No Time Loss Claims²

| | |
|------|--------|
| 1999 | 18,337 |
| 2000 | 18,459 |
| 2001 | 18,737 |
| 2002 | 19,938 |
| 2003 | 20,047 |



Time Loss Claims²

| | |
|------|--------|
| 1999 | 13,108 |
| 2000 | 14,433 |
| 2001 | 14,786 |
| 2002 | 15,174 |
| 2003 | 14,876 |



Fatalities²

| | |
|------|----|
| 1999 | 31 |
| 2000 | 35 |
| 2001 | 29 |
| 2002 | 16 |
| 2003 | 26 |



Average Days on Compensation

| | |
|------|------|
| 1999 | 25.2 |
| 2000 | 26.4 |
| 2001 | 27.6 |
| 2002 | 25.4 |
| 2003 | 25.0 |



Unaccepted Claims (%)³

| | |
|------|------|
| 1999 | 11.0 |
| 2000 | 10.1 |
| 2001 | 9.8 |
| 2002 | 9.1 |
| 2003 | 8.5 |

**Composition of Unaccepted Claims
(% of Reported Claims)**

| | Not work Related | Not Covered under Act | No Further Info |
|------|---------------------|--------------------------|--------------------|
| 1999 | 6.5 | 0.6 | 3.9 |
| 2000 | 6.0 | 0.7 | 3.4 |
| 2001 | 5.9 | 0.7 | 3.2 |
| 2002 | 5.4 | 0.5 | 3.2 |
| 2003 | 5.3 | 0.6 | 2.6 |

¹ Reported Claims: New claims reported to the WCB in the current year, both accepted and unaccepted. Additional claims reported information can be found on the WCB's website, www.wcbask.com

² Based on new claims reported to, and accepted by, the WCB in the year. Excludes claims not covered under the Act, not work related, still pending, and / or duplicated within the system.

³ Unaccepted claims are reported as a percentage of the total entitlement decisions for claims reported for the year. Entitlement decisions status is as at Feb 11/04 for 2003 claims reported. Claims are not accepted when the industry is not covered by *The Workers' Compensation Act*, a claim is not work related, or no further information is received following the initial report of the injury. Totals may not equal due to rounding.

2003 top five industry codes with injuries*

Industry codes

| | | |
|----|--|-------|
| G2 | Health Authorities, Hospitals, Care Homes | 4,375 |
| B1 | Construction Trades - Residential, Commercial and Industrial | 2,876 |
| C3 | Grocery, Department Stores, Hardware and Wholesale Chain Stores | 2,402 |
| S2 | Hostels, Independent Services, Restaurants, Hotels, Motels | 2,312 |
| C6 | Automotive, Implement Sales and Service and Automotive Service Shops | 1,719 |

* All claims reported and accepted in 2003

2003 top five occupations with injuries*

| Occupation | Number of Claims Reported |
|--|---------------------------|
| Truck Drivers | 1,094 |
| Nurses Aides and Orderlies | 989 |
| Welders and Flame Cutters | 895 |
| Nurses, Graduate, Except Supervisors | 764 |
| Slaughterers, Meat Cutters, Cannerymen, Curing & Packing | 668 |

* All claims reported and accepted in 2003

2003 top five areas of injury*

| Body Part | Number of Claims Reported |
|-----------|---------------------------|
| Back | 5,591 |
| Fingers | 4,721 |
| Eyes | 2,364 |
| Hands | 1,780 |
| Shoulder | 1,763 |

* All claims reported and accepted in 2003

Long term earnings replacement awards

| | |
|-----------------------------------|-------|
| New awards 2003 | 286 |
| Number receiving at December 2003 | 2,036 |

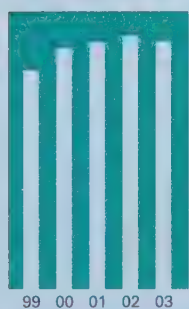
Dependent spouses

| | |
|---|-----|
| New awards in 2003 | 16 |
| New Act wage loss recipients (including 2003) | 361 |
| Old Act lifetime pension recipients | 259 |



Number of Permanent Functional Impairment Awards

| | |
|------|-----|
| 1999 | 390 |
| 2000 | 443 |
| 2001 | 407 |
| 2002 | 484 |
| 2003 | 469 |



Assessment Ceiling

| | |
|------|--------|
| 1999 | 48,000 |
| 2000 | 48,000 |
| 2001 | 48,000 |
| 2002 | 48,000 |
| 2003 | 51,900 |



Number of Active Employer Accounts*

| | |
|------|--------|
| 1999 | 32,454 |
| 2000 | 31,657 |
| 2001 | 31,225 |
| 2002 | 31,327 |
| 2003 | 31,630 |



Assessable Payroll (billions)

| | |
|------|-------|
| 1999 | 8.83 |
| 2000 | 9.14 |
| 2001 | 9.37 |
| 2002 | 9.50 |
| 2003 | 10.00 |



Average Provisional Premium Rate* and Average Actual Premium Rate**

| | | |
|------|------|------|
| 1999 | 1.77 | 1.66 |
| 2000 | 1.69 | 1.61 |
| 2001 | 1.70 | 1.57 |
| 2002 | 1.75 | 1.65 |
| 2003 | 1.91 | 1.83 |

*Active employers excludes employers whose assessment accounts were finalized during the year.

* Average provisional premium rates are based on anticipated reported payroll at the beginning of the fiscal year.

** This rate consists of the base rate net of merit/surcharge. 2003 rate was provisional at time of publication.

Injury Rates and Claim Durations (1999 - 2003) for Rate Codes

| Rate Code | Description | % of Workers Injured with Time Loss | | | | | Average Days | | | | |
|--|--|-------------------------------------|-------|-------|-------|-------|--------------|-------|-------|------|------|
| | | 2003 | 2002 | 2001 | 2000 | 1999 | 2003 | 2002 | 2001 | 2000 | 1999 |
| All Class** | | 4.81 | 4.95 | 4.79 | 4.71 | 4.30 | 25.0 | 25.4 | 27.6 | 26.4 | 25.2 |
| A11 | Light Agricultural Operations | 11.37 | 12.44 | 10.47 | 10.47 | 9.18 | 26.0 | 22.1 | 26.6 | 26.0 | 32.8 |
| A21 | Farming & Ranching | 4.59 | 4.79 | 6.54 | 6.03 | 5.22 | 40.7 | 47.7 | 68.0 | 46.3 | 46.6 |
| A31 | Grain Elevators & Inland Terminals | 1.05 | 1.17 | 1.41 | 1.43 | 1.67 | 10.8 | 19.2 | 23.9 | 20.0 | 28.7 |
| B11 | Construction Trades | 10.04 | 8.72 | 9.19 | 8.51 | 7.12 | 19.3 | 21.2 | 21.9 | 27.8 | 24.7 |
| B12 | Residential Construction | 10.95 | 11.30 | 9.81 | 12.02 | 9.61 | 30.7 | 34.6 | 34.1 | 38.6 | 30.5 |
| B13 | Commercial, Industrial Construction | 10.95 | 10.92 | 10.70 | 12.26 | 11.00 | 35.4 | 30.3 | 31.9 | 34.0 | 32.3 |
| C12 | Light Commodity Marketing | 1.53 | 1.36 | 1.35 | 1.63 | 1.22 | 25.1 | 16.6 | 20.7 | 28.9 | 25.9 |
| C32 | Grocery, Department Stores, Hardware | 3.22 | 3.54 | 4.02 | 3.58 | 2.84 | 22.5 | 20.9 | 22.8 | 21.6 | 20.8 |
| C33 | Wholesale, Chain Stores | 6.87 | 7.44 | 6.66 | 6.59 | 5.99 | 22.1 | 23.2 | 25.9 | 26.0 | 24.8 |
| C41 | Co-operative Associations | 4.45 | 4.11 | 4.10 | 3.65 | 3.98 | 19.9 | 17.4 | 24.6 | 15.7 | 19.4 |
| C51 | Lumber Yard, Builders Supplies | 6.83 | 6.48 | 6.24 | 6.11 | 6.05 | 21.3 | 25.2 | 20.2 | 16.2 | 22.7 |
| C61 | Automotive, Implement Sales & Service | 2.81 | 3.21 | 3.23 | 3.27 | 3.01 | 24.3 | 22.6 | 19.9 | 24.0 | 19.5 |
| C62 | Automotive Service Shops, Towing | 4.84 | 4.80 | 4.72 | 5.64 | 4.54 | 22.4 | 26.9 | 25.8 | 21.9 | 19.8 |
| D11 | Open Seam Mining | 1.30 | 0.83 | 0.91 | 1.34 | 1.53 | 9.3 | 24.2 | 20.5 | 39.0 | 24.1 |
| D12 | Mining Coal | 6.29 | 5.22 | 4.37 | 3.69 | 4.20 | 12.4 | 26.9 | 17.0 | 35.1 | 31.8 |
| D21 | Conventional Potash Mining, Refining | 1.91 | 2.64 | 2.20 | 1.89 | 0.93 | 14.1 | 31.6 | 25.7 | 25.8 | 23.3 |
| D32 | Operation of Oilwells | 1.12 | 0.87 | 1.04 | 1.41 | 1.75 | 55.1 | 12.7 | 36.7 | 32.9 | 32.5 |
| D41 | Oilwell Servicing | 6.50 | 6.75 | 7.91 | 7.88 | 7.66 | 32.4 | 36.7 | 36.1 | 31.0 | 35.5 |
| D51 | Service Rigs, Water Well Drilling | 6.89 | 8.38 | 8.42 | 11.49 | 9.80 | 34.4 | 48.1 | 41.7 | 52.2 | 47.2 |
| D52 | Drilling, Seismic | 4.68 | 2.42 | 5.80 | 5.45 | 3.66 | 58.5 | 52.9 | 41.7 | 73.5 | 53.1 |
| D61 | Mining Exploration | 4.94 | 3.02 | 8.53 | 6.37 | 2.39 | 6.0 | 50.6 | 103.2 | 51.3 | 94.2 |
| D62 | Underground Mining and Maintenance | 7.48 | 4.42 | 4.11 | 6.29 | 3.48 | 47.2 | 33.9 | 31.1 | 35.5 | 47.7 |
| D63 | Diamond Drilling | 11.66 | 5.20 | 3.62 | 7.56 | 5.53 | 65.1 | 139.5 | 91.0 | 77.6 | 45.7 |
| F11 | Conventional Logging Operations | 30.89 | 16.89 | 16.92 | 26.12 | 24.24 | 41.1 | 55.5 | 40.7 | 68.1 | 37.6 |
| F12 | Mechanical Logging Operations | 5.29 | 3.66 | 4.87 | 5.98 | 2.80 | 26.8 | 44.2 | 59.1 | 54.3 | 23.1 |
| F13 | Log/Pulpwood Hauling | 11.73 | 7.74 | 7.07 | 6.04 | 6.52 | 37.8 | 37.3 | 62.3 | 74.8 | 41.3 |
| F22 | Planing, Sawing, Mills, Waferboard | 4.54 | 6.68 | 10.79 | 9.73 | 7.36 | 22.0 | 25.7 | 25.5 | 24.4 | 31.9 |
| F31 | Pulp and Paper Mills | 1.26 | 2.70 | 2.50 | 2.68 | 1.36 | 7.6 | 18.5 | 15.0 | 21.1 | 18.7 |
| G11 | Universities and Regional Colleges | 1.64 | 1.50 | 1.65 | 1.51 | 1.43 | 24.8 | 29.6 | 21.1 | 26.9 | 28.6 |
| G12 | School Divisions, Housing Authorities | 3.97 | 4.00 | 3.33 | 3.54 | 2.90 | 20.4 | 25.1 | 27.1 | 22.6 | 28.5 |
| G22 | Health Districts, Hospitals, Care Homes | 7.20 | 6.85 | 6.78 | 6.11 | 5.70 | 29.1 | 31.2 | 35.3 | 31.9 | 29.4 |
| G31 | Cities, Town, Villages, RMs | 6.04 | 6.89 | 6.32 | 5.49 | 5.36 | 19.1 | 19.4 | 20.1 | 18.8 | 18.7 |
| G51 | Government of Saskatchewan & Departments | 4.21 | 4.11 | 3.32 | 3.20 | 3.41 | 24.3 | 26.1 | 27.5 | 26.7 | 24.1 |
| M31 | Manufacturing, Pipeline Operations | 0.84 | 1.34 | 1.71 | 1.60 | 1.03 | 15.8 | 9.9 | 10.9 | 29.8 | 17.1 |
| M33 | Refineries and Upgrader | 1.41 | 1.39 | 1.10 | 1.83 | 1.75 | 12.7 | 14.5 | 52.3 | 23.3 | 21.5 |
| M41 | Dairy Products, Soft Drinks | 12.87 | 13.70 | 15.32 | 9.28 | 12.45 | 19.3 | 19.4 | 17.2 | 18.8 | 15.2 |
| M42 | Bakeries, Food prep & packaging | 3.52 | 6.20 | 7.12 | 6.74 | 5.58 | 22.7 | 25.1 | 37.1 | 22.7 | 21.0 |
| M62 | Mills, Semi Medium Manufacturing | 12.78 | 12.98 | 11.19 | 11.02 | 10.70 | 17.3 | 18.0 | 21.1 | 21.3 | 16.1 |
| M72 | Processing Meat, Poultry and Fish | 30.05 | 30.21 | 33.09 | 35.19 | 33.73 | 16.7 | 21.1 | 26.3 | 17.0 | 21.4 |
| M81 | Metal Foundries & Mills | 3.89 | 4.77 | 4.78 | 4.52 | 3.25 | 23.1 | 20.7 | 28.5 | 28.6 | 18.0 |
| M91 | Agricultural Equipment | 15.59 | 18.32 | 17.19 | 15.57 | 14.03 | 14.3 | 16.5 | 15.5 | 14.5 | 15.2 |
| M92 | Machine Shops, Manufacturing | 14.50 | 16.38 | 16.52 | 16.12 | 14.49 | 16.6 | 16.1 | 18.2 | 19.2 | 18.6 |
| M94 | Iron and Steel Fabrication | 21.47 | 23.37 | 18.90 | 23.65 | 23.08 | 11.8 | 13.5 | 14.0 | 17.0 | 15.4 |
| R11 | Road Construction and Earthwork | 5.96 | 4.96 | 5.45 | 5.44 | 4.80 | 37.9 | 37.5 | 38.5 | 34.9 | 32.7 |
| S11 | Legal Offices, Financial, Drafting | 0.30 | 0.24 | 0.31 | 0.36 | 0.30 | 39.0 | 22.1 | 18.9 | 18.7 | 12.7 |
| S12 | Offices, Professionals | 0.97 | 0.73 | 0.60 | 0.75 | 0.63 | 23.3 | 27.9 | 35.7 | 30.4 | 24.2 |
| S21 | Hostels, Independent Services | 1.74 | 1.85 | 1.73 | 1.66 | 1.36 | 24.2 | 25.1 | 22.5 | 25.4 | 22.4 |
| S22 | Restaurants, Catering, Dry Cleaning | 2.62 | 3.00 | 3.10 | 3.09 | 2.83 | 18.9 | 19.3 | 20.4 | 19.0 | 20.2 |
| S23 | Hotels, Motels, Taxis | 3.21 | 2.96 | 3.21 | 2.84 | 3.15 | 31.3 | 25.6 | 32.9 | 30.5 | 33.6 |
| S32 | Service Clubs | 3.06 | 3.16 | 2.93 | 3.17 | 2.65 | 31.7 | 38.1 | 26.3 | 25.6 | 26.2 |
| S33 | Caretaking, Park Authorities | 4.55 | 4.08 | 4.98 | 4.40 | 4.00 | 35.5 | 28.5 | 42.0 | 28.4 | 27.0 |
| S41 | Engineering, Testing & Surveying | 1.11 | 0.87 | 1.10 | 0.92 | 0.73 | 14.5 | 23.0 | 23.3 | 18.5 | 27.5 |
| T42 | Transportation, Courier, Commercial Bus | 9.74 | 10.13 | 10.09 | 10.62 | 10.03 | 37.7 | 38.5 | 38.9 | 31.8 | 31.1 |
| T51 | Operation of Railways | 3.19 | 2.83 | 2.64 | 1.69 | 1.60 | 37.0 | 28.5 | 30.0 | 47.4 | 39.2 |
| T61 | Commercial Air Transportation | 2.34 | 3.30 | 2.59 | 3.04 | 3.96 | 19.1 | 33.4 | 26.2 | 23.1 | 16.3 |
| U11 | Telecommunications | 2.52 | 1.86 | 1.16 | 1.61 | 1.53 | 17.0 | 21.0 | 26.4 | 17.3 | 21.0 |
| U31 | Electric Systems | 2.63 | 3.19 | 2.06 | 2.37 | 1.81 | 22.7 | 33.6 | 28.5 | 17.8 | 9.3 |
| % of workers injured with time loss equals time loss claims divided by # of workers covered. | | | | | | | | | | | |
| Number of workers covered calculated by dividing assessable payroll by the Statistics Canada average weekly wage for each rate code. | | | | | | | | | | | |
| ** All Class Injury Rate includes Government of Canada (Deposit Account) | | | | | | | | | | | |

Risk Management Plan

The following pages show highlights of the WCB's risk management plan — Executive Management's response to the Board's direction to undertake an in-depth analysis of the WCB's business risks. This analysis includes risk identification, an assessment of the impact of each risk, and initiatives to mitigate their influence on the administration of the compensation system.

Listed below are highlights from the plan's assessment of external risks.

Economic Instability

| ISSUE | IMPACTS | RESPONSE |
|---------------------------------------|---|---|
| Uncertainty in the investment markets | WCB financial stability at risk, especially sustainability of funding strategies and premium-setting approaches. | <ul style="list-style-type: none"> • Monitor investment performance quarterly and annually through the Investment Committee. • Create portfolio diversification policy. • Retain professional investment managers to ensure quality of diversification and risk management. • Closely monitor investment managers' performance and portfolio returns. • Review and enhance investment policy annually. |
| Cycles in the economy | Fluctuations in employment levels — Increased employment can reduce premiums but can increase injury numbers, as well. Decreased employment can increase premiums, but can reduce injury numbers. | <ul style="list-style-type: none"> • Build and maintain sufficient reserves to smooth out the effects of economic cycles. • Improve ability to monitor economic conditions and forecast their operational impacts. |

Absence of Economic Model

| ISSUE | IMPACTS | RESPONSE |
|--|--|---|
| Premiums collected do not reflect actual claims experience | Revenue and expense imbalances can result in operating shortfalls, depleted reserves and passing on of current claims costs to future employers. | <ul style="list-style-type: none"> • Maintain an actuarial-based rate-setting model using the same assumptions as in the actuarial valuation of claim liabilities. • Annually review assumptions and adapt as required so that rate model continues to reflect experience. • Retain part-time staff actuary to forecast costs based on economic indicators for enhanced ability to match revenues and expenditures. • Maintain adequate levels of reserves to allow for inability of any actuarial model to perfectly project future needs. |

Unstable Injury Rate

| ISSUE | IMPACTS | RESPONSE |
|--------------------------|---|---|
| Increasing claim volumes | Increased claims costs force higher premiums. | <ul style="list-style-type: none"> • Influence employer and worker safety practices through: <ul style="list-style-type: none"> - experience rating (merit/surcharge) program; and - safety initiatives in cooperation with Occupational Health & Safety, industry safety associations and WorkSafe Saskatchewan. |

No Return-to-Work Commitment

| ISSUE | IMPACTS | RESPONSE |
|---|---|---|
| Any single stakeholder withdrawing commitment limits system's success in returning workers to the job | Increased durations, compensation costs and premium rates | <ul style="list-style-type: none"> • Maintain, monitor and enhance team-based case management model. • Maintain the formal quality assurance component of the claims process. • Collaborate with key stakeholders (employers, workers, health care providers) through education, contracts, communications and service integration strategies. • Proactively advance the work of the multi-stakeholder Early Intervention Advisory Committee. |

Changing Labour Force

| ISSUE | IMPACTS | RESPONSE |
|--|--|---|
| Increasing proportion of older workers and a shortage of qualified younger workers | Older workers require more treatment to recover from injuries, putting upward pressure on costs. Absence of qualified new employees can make it difficult to attract qualified individuals to the WCB. | <ul style="list-style-type: none">• Review and refine Early Intervention Programs and claims management processes for early medical and functional rehabilitation.• Develop WCB internally to be a first-choice employer:<ul style="list-style-type: none">- HR planning;- competency recruitment framework;- career and succession management; and- joint strategies with the First Nations community. |

Increasing Customer Expectations

| ISSUE | IMPACTS | RESPONSE |
|----------------------------------|---|--|
| Increasing customer expectations | Rising expectations, or expectations that differ from WCB's legislated mandate, can result in lack of stakeholder confidence. | <ul style="list-style-type: none">• Use surveys to identify customer expectations and areas for change in WCB policies and practices.• Use communications for education and information-sharing with stakeholders.• Enhance customer service standards; quality assurance processes and customer service training. |

Appeals Report

Appeals Committee

As part of its focus on openness and accountability, the WCB has made access to the appeal process easier and more transparent. At the same time case managers advise clients of a claim decision, they also point out that the client has the option to have the decision reviewed, and accompany this advice with a fact sheet on how to launch an appeal. As well, more and more clients are taking advantage of the ability to appeal through the Internet, by fax, or by regular mail.

Dealing with the increasing number of appeals at the Appeals Committee level continues to be a significant challenge. Appeals increased by an additional 101 in 2003, to reach a new record level of 1,081. This represents a 30 per cent increase in the appeal load since 2001 and has resulted in a

backlog of more than 430 outstanding appeals at the end of 2003. The increasing appeal numbers, combined with the increasing complexity of issues being appealed, resulted in 2003 adjudication targets not being attained. The WCB responded by adding an additional Appeals Officer at the end of last year. An early-2004 process review will help identify efficiencies, and will identify measures that can be taken to reduce the backlog and to decrease overall adjudication time.

The target for 2004 is to bring the average adjudication time from the current average 149 days to prior-year levels of approximately 70 days by year-end. The long-term target is to see 50 per cent of appeals adjudicated within 30 days.

Appeals Activity Appeals Committee

| | 2003 | 2002 | 2001 | 2000 | 1999 |
|---|------------|------------|------------|------------|------------|
| Appeals Received | 1081 | 979 | 826 | 873 | 813 |
| Decisions Made: | | | | | |
| Appeal Successful (Accepted) | 197 | 176 | 163 | 169 | 190 |
| Original Decision Upheld (Denied) | 422 | 414 | 349 | 405 | 392 |
| Returned to Original Unit for Further Development | 221 | 206 | 243 | 171 | 109 |
| Total | 840 | 796 | 755 | 745 | 691 |
| Appeals Withdrawn | 44 | 35 | 22 | 40 | 27 |
| *Appeals Pending | 408 | 213 | 107 | 231 | 62 |
| Average Number of Days for Decision | 149 | 69 | 73 | 107 | 48 |

*Past-year results revised to reflect refined data analysis.

Sources of Appeals Appeals Committee

| Source | 2003 | 2002 | 2001 | 2000 | 1999 |
|---------------------------------|-------------|------------|------------|------------|------------|
| Worker | 659 | 613 | 523 | 517 | 483 |
| Worker's Advocate | 120 | 107 | 106 | 146 | 131 |
| Employer | 116 | 147 | 80 | 88 | 49 |
| Lawyer | 27 | 27 | 35 | 37 | 50 |
| Union Official | 48 | 34 | 43 | 47 | 46 |
| Family | 14 | 15 | 14 | 7 | 13 |
| Industrial Relations Consultant | 0 | 4 | 5 | n/a | n/a |
| MLA's | 4 | 3 | 4 | n/a | n/a |
| Doctor | 0 | 1 | 1 | n/a | n/a |
| Other Representative | 93 | 28 | 15 | 30 | 41 |
| Total | 1081 | 979 | 826 | 873 | 813 |

Nature of Appeals Appeals Committee

| ISSUE | 2003 | 2002 | 2001 | 2000 | 1999 |
|---|-------------|------------|------------|------------|------------|
| Initial Acceptance | 269 | 292 | 280 | 345 | 271 |
| Relationship (Of one injury to another) | 198 | 165 | 125 | 140 | 156 |
| Recovery / Fitness (Ability to Return to Work) | 188 | 166 | 134 | 124 | 88 |
| Estimated Earning Capacity | 65 | 50 | 45 | 58 | 85 |
| Recovery (on-going due to pre-existing condition) | 56 | 54 | 56 | 42 | 30 |
| Cost Relief | 85 | 69 | 32 | 35 | 22 |
| PFI | 43 | 33 | 36 | 24 | 34 |
| Suspension | 36 | 26 | 23 | 20 | 27 |
| Wage Base | 22 | 20 | 24 | 19 | 18 |
| Retraining | 11 | 22 | 12 | 10 | 16 |
| Transportation Expense | 31 | 20 | 13 | 9 | 18 |
| Independence Allowance | 14 | 14 | 9 | n/a | n/a |
| Dependents | 1 | 1 | 3 | 1 | 3 |
| Other | 62 | 47 | 34 | 47 | 45 |
| Total | 1081 | 979 | 826 | 874 | 813 |

Board Appeals

If a client is not satisfied with the appeal decision provided by the Appeals Committee, he or she can have the appeal heard by the WCB's Board Members. Here, decisions are based on existing information in the claim file and on additional information supplied in writing or at a hearing.

To ensure Board hearings are conducted within the framework of the compensation system, Board Members follow these key principles:

- The Board is not bound by existing policy in making its decisions
- A Board decision that does not follow current policy does not mean that a new policy has been created

Appeals Activity

Board Appeals

| | 2003 | 2002 | 2001 | 2000 | 1999 |
|-------------------------------------|------------|------------|------------|------------|------------|
| Appeals Received | 240 | 297 | 246 | 201 | 212 |
| Decisions Made: | | | | | |
| Appeal Successful (Accepted) | 124 | 108 | 85 | 67 | 66 |
| Original Decision Upheld (Denied) | 170 | 122 | 151 | 149 | 127 |
| Total | 294 | 230 | 236 | 216 | 193 |
| Appeals Withdrawn | 11 | 11 | 12 | 10 | 16 |
| Appeals Pending | 75 | 140 | 84 | 94 | 110 |
| Average Number of Days for Decision | 172 | 163 | 142 | 188 | 183 |

Sources of Appeals

Board Appeals

| Source | 2003 | 2002 | 2001 | 2000 | 1999 |
|----------------------|------------|------------|------------|------------|------------|
| Worker's Advocate | 77 | 85 | 95 | 69 | 66 |
| Worker | 82 | 120 | 78 | 67 | 62 |
| Lawyer | 10 | 22 | 15 | 19 | 27 |
| Employer | 28 | 39 | 15 | 13 | 13 |
| Union Official | 5 | 7 | 15 | 4 | 15 |
| Family | 6 | 1 | 2 | 2 | 6 |
| Other Representative | 32 | 23 | 26 | 27 | 23 |
| Total | 240 | 297 | 246 | 201 | 212 |

- Board decisions are not precedent-setting
- WCB staff is bound by decisions made by the Board.

Last year, the Board heard nearly 300 appeals, while receiving only 240 new appeal requests. The additional numbers reflected appeals commenced, but not yet heard in the previous year. It also represents a 50 per cent drop in the number of appeals pending – from 140 in 2002 to 75 in 2003.

Nature of Appeals

Board Appeals

| ISSUE | 2003 | 2002 | 2001 | 2000 | 1999 |
|---|--|------------|------------|------------|------------|
| Relationship (Of one injury to another) | 65 | 87 | 77 | 70 | 71 |
| Initial Acceptance | 59 | 72 | 50 | 43 | 62 |
| Recovery / Fitness (Ability to Return to Work) | 48 | 55 | 59 | 40 | 33 |
| Cost Relief | 16 | 18 | 6 | 8 | 1 |
| Retraining | 3 | 10 | 5 | 7 | 8 |
| Estimated Earning Capacity | 19 | 13 | 5 | 6 | 14 |
| Suspension | 0 | 3 | 2 | 6 | 2 |
| PFI | 8 | 14 | 7 | 5 | 4 |
| Wage Base | 3 | 4 | 5 | 4 | 3 |
| Dependents | 0 | 0 | 0 | 2 | 1 |
| Transportation Expense | 7 | 4 | 0 | 1 | 2 |
| Assessment Rates & Surcharge | 4 | 2 | 6 | 0 | 5 |
| Recovery (on-going due to pre-existing condition) | Board records this issue differently than Appeals Committee. | | | | |
| Other | 8 | 15 | 24 | 9 | 6 |
| Total | 240 | 297 | 246 | 201 | 212 |

Appeals Report

Medical Review Panels

Medical Review Panels are convened when a worker's doctor or chiropractor disagrees with a Board decision on medical grounds and after all other avenues of appeal have been exhausted. The panel's chairperson is appointed by the Board, in consultation with the Saskatchewan Medical Association. The worker chooses the medical practitioners who sit on the panel. The Medical Review Panel's decisions are binding on the worker and on the WCB.

In 2003, nine Medical Review Panels were held, compared to 29 in 2002. This is a considerable drop from last year's volume, but is closer to the number of panels held in an average year.

Appeals Activity

Medical Review Panel

| | 2003 | 2002 | 2001 | 2000 | 1999 |
|-----------------------------------|----------|-----------|-----------|----------|-----------|
| Appeals Received | 9 | 29 | 15 | 6 | 12 |
| Decisions Made: | | | | | |
| Appeal Successful (Accepted) | 3 | 14 | 9 | 5 | 6 |
| Original Decision Upheld (Denied) | 4 | 14 | 6 | 1 | 6 |
| Total | 7 | 28 | 15 | 6 | 12 |
| Pending | 2 | 1 | 0 | 0 | 0 |

Nature of Appeals

Medical Review Panel

| ISSUE | 2003 | 2002 | 2001 | 2000 |
|--|----------|-----------|-----------|----------|
| Relationship (Of one injury to another) | 8 | 25 | 10 | 4 |
| Initial Acceptance | 0 | 0 | 0 | 0 |
| Recovery / Fitness (Ability to Return to Work) | 1 | 2 | 4 | 1 |
| PFI | 0 | 2 | 1 | 1 |
| Other | 0 | 0 | 0 | 0 |
| Total | 9 | 29 | 15 | 6 |



Fair Practices Office

The WCB established a Fair Practices Office in September 2003 to receive and investigate complaints in all areas of administration. The office acts like an ombudsman in promoting fairness in the WCB's practices, procedures and processes. It is mandated to investigate complaints regarding:

- delays in adjudication, communication, referrals or payments;
- conduct of staff;
- verbal and written communications;
- implementation of review findings;
- employer accounts;
- administrative payments; and
- misapplication of policy.

The Fair Practices Office will not deal with decisions of the Board, issues under appeal, issues being handled by the Office of the Worker's Advocate or changes to legislation.

The Fair Practices Officer reports directly to the Board through the Chair, and is required to maintain a position of neutrality and impartiality. Like the WCB itself, the Fair Practices Officer must maintain a balance between the interests of employers and workers. The office also performs a vital service for our key stakeholders, providing further assurance that the WCB's policies and procedures are applied fairly and consistently. It will also contribute toward the WCB's balanced scorecard goal of developing a more constructive culture in the workplace by promoting the corporate values and achievement of corporate strategies.

The WCB's first Fair Practices Officer is Murray Knoll, who previously spent more than 20 years with the Office of the Saskatchewan Ombudsman.

Before beginning to receive complaints, Knoll gathered information and ideas from fair practice offices at the WCB boards in Manitoba and British Columbia. The WCB's office has also joined a newly-formed association called the Fairness Working Group, which represents WCBs across Canada that have established fair practice offices, or have employees performing that function.

The WCB's Fair Practices Office began receiving complaints in November, too late to provide meaningful statistics for 2003. The volume of complaints began to increase in January 2004, when the office was profiled in **Compensation Reporter** and Knoll's appointment was advertised in newspapers. He has borrowed ideas from the reporting system used in British Columbia to break down the complaints into categories for his own tracking and reporting purposes. For example, certain types of complaints may originate primarily in specific regions of the province, or from clients assigned to certain case management teams.

The first complaints received by the office dealt primarily with the tone of communications received from case managers. Some of these were found to be correct. The focus then shifted to complaints about decisions and the process around decision-making, which are anticipated to form the majority of future workloads, as employers and injured workers gain a better understanding of the role of the office. The Fair Practices Officer has received a positive reception from people he's contacted, who welcome the Office as a means of improving service and ensuring fairness in the WCB's operations.

2003 - 2005 Strategic Plan

The WCB Board considered a number of environmental factors in their discussions on strategy for the 2003 to 2005 planning cycle.

The most pressing factors were a rising injury rate and resulting increased claims costs, and continuing poor market returns on investments. While the WCB is not able to influence market returns, Board Members believe that the WCB, working with partners in its stakeholder communities, can and must move the injury rate down.

Other strategic considerations for Board Members were:

- The injury rate will continue to rise unless mitigating initiatives are implemented.
- Injured worker and employer expectations of high levels of customer service will continue to rise and must be managed.
- Employers will continue to expect careful management of program and administration expenses.
- The potential for revenue growth through investment markets will continue to be poor in the near term.
- First Nations' businesses are an influential driver in the provincial economy and First Nations' workers are a growing population in the labour force.

There are four elements to a strategic plan: a vision and mission statement, a statement of corporate beliefs, a values statement, and strategies to direct an organization towards its planned future.

Strategic considerations by Board Members prompted revisions to the WCB's strategic plan (revisions in bold text):

Vision/Mission Statement:

The Saskatchewan Workers' Compensation Board's mission and sole purpose is to serve injured workers and their employers. Our vision is to excel in the development and delivery of workers' compensation **and injury prevention** programs and services.

In support of our mission and vision, we will:

1. Provide the right service, at the right time, and be cost-effective in our processes.
2. Act with dignity and treat everyone with respect.
3. Conduct our business in a fair, open, honest and professional manner.
4. Bring about positive relationships with workers, employers, and others affected by the workers' compensation system.
5. Communicate our distinct identity, benefits and values.
6. Expect and recognize individual and corporate achievements and contributions to our workplace.
7. Ensure the financial integrity of the Workers' Compensation Board.

Statement of Beliefs

The Statement of Beliefs is rooted in the Meredith Principles and describes what the WCB holds to be true about Saskatchewan's compensation system, our stakeholders, and the nature of our relationships with workers, employers, and the people of Saskatchewan.

Our corporate beliefs are:

1. Injured workers and employers deserve excellent service.
2. Workers, employers and others deal with us honestly.
3. Employers care about their employees and care that their employees receive excellent service.
4. The WCB's future relies on positive relationships built on trust, **understanding and cooperation** in our **programs** and decisions.
5. WCB employees want to excel in customer service.
6. The WCB is guided by its corporate values in all of its decisions.

Values Statement

Our corporate values are the standards by which our actions and decisions are to be considered and judged by others.

1. **Dignity** – those we serve and those we work with are treated with respect and consideration.
2. **Fair** – those we serve and those we work with are treated equally and without prejudice or bias.
3. **Honest** – those we serve and those we work with are treated truthfully.
4. **Open** – our programs and services are easy to access and to understand. Our decisions and actions are clear, reasonable and open to examination.

Strategy Statements

The strategy statements are meant to be interrelated and mutually supportive. Taken together, strategy statements are meant to represent a comprehensive, preferred future for the organization.

Service – We will provide support to injured workers, their families and employers when they need it most. **We will develop and promote injury prevention programs.** We will return injured workers to wellness, including the return to suitable employment.

Relationships – We will continue to build relationships that serve the interests of injured workers and employers.

Strategic and Risk Management – We will follow a planning process that **anticipates and** responds to the environment, and that results in service and management excellence and efficiency.

Employee Relations – We will instill pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

The strategic plan developed by the WCB Board continues to direct the organization towards a future that is:

- Customer centered and excels in service delivery.
- Works in partnership with those affected by, and those who influence, the compensation system.
- Anticipates and responds to its environment in a planned and proactive manner.
- Has employees who own their individual and collective accomplishments, and who are responsible for how work is done.

2003 - 2005 Operational Plan

The WCB's Chief Executive Officer and Vice Presidents (executive) are responsible for turning the strategic plan into reality. Their focus is operational, dedicating the resources of the WCB towards achieving the results identified by the Board as fundamental to the organization's success.

The executive implements the strategic plan through operational objectives that are cross-functional, meaning that implementation requires cooperation and collaboration across the organization's three divisions.

Revisions to the strategic plan for this planning cycle prompted revisions to the operational objectives that were introduced in 2002. The Financial Integrity objective, in particular, required revisions to reflect the continuing poor investment markets and the financial pressures produced by a rising injury rate and claims costs. This objective now aims to protect benefit entitlement, while maintaining competitive rates and managing administration expenses.

A Relationships objective has been introduced to reinforce the emphasis placed on forging partnerships that advance mutual interests, such as reducing the injury rate or enhancing return-to-work outcomes.

The Effective Processes objective has been rewritten to incorporate new strategic attention to risk management within the organization. As the organization moves into this planning cycle, work processes will begin incorporating risk management elements of controls and standards.

A Safety and Prevention objective has been introduced to reflect the urgent need to lower the injury rate. The objective also supports strategic intentions for relationships between the organization and external groups that advance our mutual interests.

The pages that follow illustrate the WCB's 2003 to 2005 operational plan.

Key Result: Excellent Service

Objective: To achieve 95% customer service satisfaction (as measured by quarterly surveys) by December 31, 2004.

December 31, 2002 Target – 93% Actual – 82%

December 31, 2003 Target – 94% Actual – 84%

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationship Strategy: We will continue to build relationships that serve the interests of injured workers and employers.

Employee Relations Strategy: We will instill pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

- Progress in 2003:**
- The Common Measurement Tool survey methodology and a related corporate service improvement process that responds to customer identified service needs are in place.
 - Customer service specifications are integrated into Quality Assurance process.
 - A continuous improvement strategy saw case management processes refined with integration of Prevention, Safety and Return to Work, Account Management, Case Management, Medical Services and Health Care Services processes.
 - Agreements are in place for expedited MRI diagnostics with both Regina and Saskatoon health regions.
 - Independent, external review of the Early Intervention Program is about 60% complete.
 - A plain language strategy is in place for new publications and to revise existing publications as they are reprinted. Form correspondence is under review.
 - Added employer registration and access to medical information for caregivers to web-based, online services.

Key Result: Competent People

Objective: To have 90% of WCB employees demonstrate competence by December 31, 2004 as measured through the performance management process.

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Strategic and Risk Management Strategy: We will follow a planning process that anticipates and responds to the environment, and that results in service and management excellence and efficiency.

Employee Relations Strategy: We will instill pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

Progress in 2003:

- Competency framework implemented. Competencies and related standards are integrated into staffing processes and performance management processes for out-of-scope employees.
- Corporate wide training and development strategy implemented based on competency framework.
- Quality Assurance training programs have been established and implemented.

Key Result: Financial Integrity

Objective: To protect benefit entitlement and maintain competitive rates, the WCB will achieve fully funded status by December 31, 2007.

Objective Supports: **Strategic and Risk Management Strategy:** We will follow a planning process that anticipates and responds to the environment, and that results in service and management excellence and efficiency.

Progress in 2003:

- Improved forecasting and reporting processes for program expenses and rate setting are in place and reviewed annually.
- Saskatchewan had the second lowest average administration cost per time loss claim when compared to other Canadian workers' compensation boards.
- A funding paper was developed and circulated to stakeholders. Recommendations from stakeholders were incorporated into 2004 rate setting.
- The number of days paid per time loss claim dropped to 37.0 days in 2003, down from 40.0 days in 2002 and 42.30 days in 2001.
- Injury frequency declined marginally in 2003. Time loss claims dropped by 298 over the reporting period. This impacted program costs for the year.
- Overall, claim costs decreased from \$221.1 million in 2002 to \$199.1 million in 2003.
- Program expenses (compensation, earnings replacement, payments to care givers, and vocational rehabilitation) dropped by \$6.2 million, from \$173.0 million in 2002 to \$166.8 million in 2003. Over the same period, customer service satisfaction ratings show steady improvements for both employers and injured workers.
- Health care payments declined by \$2.1 million in 2003, largely due to faster worker access to secondary and tertiary rehabilitation, with fewer injured workers using this level of service.
- Despite an increase of 3% to salaries, administration expenses declined to \$35.6 million before costs charged to the Future Benefits Administration. In fact, the WCB's administration costs in 2003 were the lowest since 1998.

Key Result: Effective Processes

Objective: To achieve business outcomes ensuring that applicable controls and standards are developed, implemented and monitored for key business processes.

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Strategic and Risk Management Strategy: We will follow a planning process that anticipates and responds to the environment, and that results in service and management excellence and efficiency.

Progress in 2003:

- Performance and service standards and targets established for customer service and vocational rehabilitation. Quality Assurance assesses standards on file reviews.
- Process and performance standards are in development for case management. Templates for Quality Assurance and Vocational Rehabilitation purposes are being automated. Templates are in development for case management.
- Human Resources planning information is provided to management each business quarter.
- Project analysis and plan development for a Business Continuity Plan is complete.
- A risk management plan is in place to identify and mitigate business risk.
- Review began of the WCB's Balanced Scorecard, the organization's performance measure of key processes and results.

Key Result: Effective Business Relationships

Objective: To build effective business relationships that advance mutual interests as measured by defined outcomes.

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationships Strategy: We will continue to build relationships that serve the interests of injured workers and employers.

Progress in 2003:

- Regular meetings with the Office of the Workers' Advocate (OWA) continue to support and improve a working relationship that ultimately provides better service to our mutual clients.
- Relationship established with La Ronge First Nation to promote understanding of the workers' compensation system.

Key Result: Safety and Prevention

Objective: In cooperation with employers, workers and other partners, develop and implement a province-wide safety and injury prevention strategy that reduces the provincial injury rate to 4% by December 31, 2007.

Objective Supports: **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationships Strategy: We will continue to build relationships that serve the interests of injured workers and employers.

Progress in 2003:

- Research on safety programs in back care, with special focus on health care workers, completed.
- Research into best practices in injury prevention programs completed.
- Multi-year communications strategy developed and launched to raise awareness of importance of safety and injury prevention.
- Established a collaborative initiative with Saskatchewan Labour to identify and work with the industries and employers that are driving injury rates and costs.
- Established a collaborative initiative with the La Ronge First Nation and Kitsaki Management to foster safe work awareness and practices.
- Worked with Saskatchewan Federation of Labour to fund a Ready for Work Coordinator who will create workplace safety awareness among high school students.
- Circulated a discussion paper in 2003 to stakeholders on the WCB's experience rating program. Feedback resulted in a WCB-stakeholder working committee tasked with revising the WCB's merit/surcharge program for employers.

Strategic Choices Produce Results

The WCB's strategic and operational plan directs the organization to make injury prevention a top priority, put a check on administrative costs, and adopt a more effective case management system. That direction produced results for the organization in 2003.

Results in customer service include:

- An agreement was reached with the Saskatoon health region for expedited MRI diagnostics. WCB clients began accessing services under the agreement in November. Negotiations for a similar agreement with the Regina-Qu'Appelle health region were nearing completion at year-end. Once fully operational, the agreements will supply the majority of the WCB's MRI demands and virtually eliminate the need for out-of-province MRI diagnostics.
- The team-based approach to case management continues to shorten claims durations and increase customer satisfaction. The number of days paid per time loss claim dropped three days in 2003, from 40.0 to 37.0 days. In the past two years, the number of days paid per time loss claim has dropped 5.3 days.
- A continuous improvement strategy saw case management processes refined with integration of Prevention, Safety and Return to Work, Account Management, Case Management, Medical Services and Health Care Services processes.
- Regular meetings with the Office of the Workers' Advocate continue to support and improve a working relationship that ultimately provides better service to our mutual clients.
- The time for Board-level appeals was cut in half. Saskatchewan now has the lowest cost per appeal decision of any compensation board in Canada.
- Quality Assurance (QA) processes were advanced in 2003:
 - Customer service specifications were integrated into QA processes.
 - Training programs were established and implemented.
- Performance and service standards and targets were established for customer service and vocational rehabilitation. QA assesses standards on file reviews.
- Added employer registration and access to medical information for caregivers to the WCB's web-based, online services

Relationships focused on workplace safety and injury prevention were established:

- Collaborative workplace safety and injury prevention initiatives were established with:
 - La Ronge First Nation and Kitsaki Management to foster safe work awareness and practices and to promote understanding of the workers' compensation system.
 - Saskatchewan Labour to identify and work with the industries and employers that are driving injury rates and costs.
 - Saskatchewan Federation of Labour to fund a Ready for Work Coordinator who will create workplace safety awareness among high school students.

Corporate operations were improved:

- A risk management plan is in place to identify and mitigate business risk. The plan earned favourable comments from Saskatchewan's Provincial Auditor.
- Improved forecasting and reporting processes for program expenses and rate setting are in place and reviewed annually.
- Project analysis and plan development for a Business Continuity Plan (BCP) was initiated in 2003. The plan will be tested early in 2004 and reviewed annually as part of plan maintenance.
- A discussion paper on the WCB's experience rating program was circulated to stakeholders. Feedback resulted in a WCB-stakeholder working committee tasked with revising the WCB's merit/surcharge program for employers.
- A review began of the WCB's Balanced Scorecard, the organization's performance measure of key processes and results.

Human Resources processes were advanced:

- The WCB's competency framework was implemented for out-of-scope employees. Competencies and related standards are integrated into staffing processes and performance management processes.
- A corporate-wide training and development strategy was implemented based on the competency framework.
- Human Resources planning information is provided to management each business quarter.
- Process and performance standards are in development for Case Management. Templates for Quality Assurance and Vocational Rehabilitation purposes are being automated. Templates are in development for Case Management.

Workplace safety and injury prevention initiatives were introduced:

- Research on safety programs in back care, with special focus on health care workers, was completed.
- Research into best practices in injury prevention programs was completed.
- A multi-year communications strategy was developed and launched to raise awareness of the importance of safety and injury prevention.

Board Policy Decisions

New Policies Adopted January 2003 – present

Doc# 2.1.2

01/2003

Coverage, Notice of Application

This policy complies with the Bill 72 amendment to Section 12 of the Act, effective 01 January 2003. In addition to a company/employer notifying its workers and union of the intent to apply to the WCB for coverage, reciprocally, workers must also notify their employers.

Doc# 4.1.3.8

02/2003

Section 38.1 – Maximum Wage Rate

As a result of Bill 72 amendments, this policy represents increases to the maximum wage rate under Section 38.1, scheduled to take effect over three years starting 01 January 2003 for injuries occurring after September 1, 1985. For those eligible, the new maximum wage rate applicable on or after 01 January 2004 is \$53,000.

Doc# 4.2.6

03/2003

Allowance – Independence

Recent changes to Section 67.1 (Bill 72) required this policy be updated. For decisions prior to January 1, 2003, the Independence Allowance (IA) provided to eligible workers will not exceed 10% of the maximum permanent functional impairment (PFI) allowed (\$22,600). For decisions on or after January 1, 2003, the maximum amount of an IA will not exceed 5% of the maximum PFI.

Doc# 4.4.4

04/2003

Annuities

This policy is recently re-issued with a change as to how interest is calculated on retroactive adjustment of compensation benefits. Interest will be (re)calculated retroactively beginning with the 25th month when interest on the annuity would normally have accrued, rather than the date payment of the additional annuity amount is issued.

Doc# 9.03

05/2003

Interest on Benefits Accruing from Successful Appeals

Effective 01 June 2003, interest will accrue on benefits from successful appeals where internal administrative delays result in the appellant having to wait longer than 120 days for decisions at the Board level. This represents a change from the 30 days allowed in previous policy.

Doc# 4.3.2.1

07/2003

Expenses – Travel & Sustenance – General (POL 07/2003)

The purpose of this new policy is to ensure workers do not incur additional expenses (exceeding normal employment expense) when required to travel away from home to attend WCB directed treatment, vocational programs or other appointments or hearings. Public Service Commission (PSC) rates are paid for short-term expenses (medical treatment) and long-term expenses (vocational training) are limited to a reasonable allowance. The latter is clarified by policy for the first time.

Doc# 3.1.5.5

09/2003

Injuries - Fire Fighters and Cancer Related to Combustion Gases

This policy is a result of the introduction of Section 29.1 of the Act (Bill 18) providing a presumption for occupational disease where fire fighters in an urban setting are exposed to the hazards of the profession (combustion gases) and later develop certain primary site cancers. Also included, are the minimum periods of exposure for each listed cancer as prescribed by Section 22.3 of the General Regulations.

Doc# 4.1.4.4

10/2003

Average Weekly Earnings – Section 70(4)

Consistent with Section 70(4) of the Act, this policy provides guidance for establishing an equitable wage base for part-time, casual, seasonal and new workers typically not employed for the full 12 months prior to injury. On review at 26 weeks, where there are no regular or annual wages, earnings for workers regularly employed in the same grade of employment in the same industry will be averaged over the 12 months immediately preceding the date of injury to establish a wage base.

Doc# 10.6

12/2003

Access/Collection/Release of Information

This policy has been revisited to clarify privacy guidelines for the release of “bulk data” or exchange of information with third parties under a Memorandum of Agreement.

Doc# 4.4.3.2

13/2003

PFI – General

Effective 01 January 2003, Section 67(1.1) of the Act has provided increases to the minimum and maximum awards for permanent functional impairment for decisions occurring on or after 01 January 2003; the minimum amount will not be less than \$2200 and not more than \$45,200. For decisions prior to 01 January 2003, the minimum is \$1100 and the maximum \$22,600.

Doc# 4.1.3.6

14/2003

Compensation Rate, Maximum, 2004 – Section 38

This annual update increases the maximum compensation rate for workers sustaining injury before 01 September 1985, to \$51,000 per annum effective 01 January 2003.

Doc# 2.1.3.2

15/2003

Classification of Industries – 2004 Provisional Premium Rates

Updated annually, this policy establishes the provisional premium rates for 2004.

A component to fund 2003 legislative amendments and to replenish the Board's deficit equates to 2% and 2.6% respectively, on the 2004 base rate for individual industries.

Doc# 4.4.3.7

01/2004

PFI – Hearing Loss

This policy provides guidelines for assessing permanent functional impairment for traumatic and occupational noise induced hearing loss. The standard for workplace exposure as well as eligibility criteria for awards are included in the policy.

Doc #4.4.3.6

03/2003 (Amended by ADM 03/2003)

PFI – Raynaud's Phenomenon

This policy is not new but has been amended to include legislative changes to Section 67 of the Act which stipulates the lump sum awards for permanent functional impairment.

Doc# 4.4.3.5

25/90 (Amended by ADM 04/2003)

PFI - Allergies

This policy is amended to reflect the legislative changes to Section 16 of the Act which stipulates the lump sum awards for permanent functional impairment.

Policies and procedures are public and accessible through the WCB's website at www.wcbsask.com



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